DOING BUSINESS IN LITHUANIA

Country Commercial Guide 2011

Prepared by

U.S. Embassy Vilnius

February, 2011.

Doing Business in Lithuania - 2011 Country Commercial Guide for U.S. Companies

Chapter 1: Doing Business in Lithuania

Market Overview Return to top

Entrance into the European Union in 2004 made Lithuania part of one of the world's largest markets, with 456 million consumers, and increased Lithuania's appeal as a destination for American goods and services. Lithuania's proximity to markets of the Community of Independent States (CIS), the country's excellent infrastructure, competitive living and operating costs, and highly-skilled workforce offer opportunities for U.S. producers and suppliers to expand into global markets.

Lithuania has been a member of the WTO since 2002 and joined the EU and NATO in 2004. Lithuania's determination to join the EU and NATO accelerated improvements in Lithuania's legal and banking systems and tax and customs regimes; the fiscal restraints the government imposed in order to meet EU accession commitments spurred dramatic economic growth and business development.

Until the last quarter of 2008, Lithuania was a rapidly growing economy. Gross domestic product rose by 7.6% in 2005, 7.4% in 2006 and 8.7% in 2007. Average annual growth for the five-year period ending in 2007 exceeded 8.3%, and analysts forecasted that GDP growth would be 5.3% in 2008, but negative growth in Q4 reduced the annual GDP growth rate to 3.2% and in 2009 GDP shrank by 15%. The global financial crisis hasn't spared Lithuania. Business bankruptcies have risen and unemployment is increasing. Nonetheless, the Government of Lithuania has been implementing a stimulus plan to help the country recover its economic footing. GDP stabilized in Q3 of 2010, with estimates of 1.3% for the year overall.

Lithuanian exports in 2010 (ten months) totaled 18.77 billion USD, and imports reached 21.29 billion USD. Compared to 2009 (ten months), exports and imports increased by 12.7% and 14.6% respectively.

In 2010 Lithuania's major export partners by percentage of exports were Russia (15.4%), Germany (10.0%), and Latvia (9.4%). Lithuania's main import partners by percentage of total imports in 2010 were Russia (32.7%), Germany (11.0%) and Poland (8.9%).

U.S. exports to Lithuania in 2010 (ten months) reached 215 million USD; U.S. imports from Lithuania totaled USD 506 million during the same period. The U.S. was Lithuania's 10th largest trading partner in 2010, making up 1.2% of Lithuania's total trade turnover.

As of January 2010, the leading foreign investors in Lithuania were Sweden (11.7% of total), Poland (10.4%), Denmark (10.4%), Germany (10.4%). U.S. investments accounted for 2.6 percent of total FDI inflows in 2010.

A wide range of economic and demographic statistics is available on Lithuania's Department of Statistics website (http://www.stat.gov.lt/en/)

Challenges

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Inefficient government bureaucracy, corruption, and lack of regulatory transparency, continue to discourage some investors. Lithuania, however, has made progress in addressing these problems, and they do not represent significant obstacles to U.S. trade and investment in Lithuania. Demographic trends, like an aging population, emigration of the workforce towards higher-wage countries within the EU, and a shrinking domestic market, pose challenges that may be more difficult to overcome.

Market Opportunities

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In the period of 2007-2013 Lithuania expects to receive approximately 9.7 billion USD in EU Structural, Cohesion, and other funds to implement infrastructure projects. U.S. companies are able to compete, directly and/or as subcontractors and partners, in tender offerings backed by EU funds.

Major infrastructure projects currently pending or underway include: decommissioning of the Ignalina nuclear power plant; construction of a section of Rail Baltica line to connect the Baltic countries to the rest of Europe; expanding and modernizing the Klaipeda sea port facilities; construction of electric power transmission lines to Poland and Sweden; building a natural gas storage facility; LNG terminal; a new nuclear power plant; and upgrading existing combined heat and power (CHP) plants.

The Lithuanian Government has privatized nearly all major state assets. Remaining state-owned assets planned for privatization include Lithuanian Railways (Lietuvos Geležinkeliai) and Lithuanian Post (Lietuvos Paštas).

Market Entry Strategy

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There are no laws regulating the relationship between a foreign company and its distributors or agents in Lithuania. The provisions of a given distribution agreement define the terms of the relationship.

A joint venture with a local partner is usually the best way for a U.S. company to start a business in Lithuania.

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Chapter 2: Political and Economic Environment

For background information on the political and economic environment of the country, please click on the link below to the U.S. Department of State Background Notes.

www.state.gov/r/pa/ei/bgn/5379.htm

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The market for consumer products in Lithuania is fragmented. Consumer preferences differ across income, age, and social groups. More affluent consumers consider brand name and quality to be important selling points, with price an indicator of quality. In general, Lithuanian consumers associate goods made in the USA with quality, and U.S. products are well received. The most common and, according to foreign product suppliers, most effective method of introducing products into the market is through a distributorship arrangement. Lithuania's distributorship network is well-developed.

Companies wishing to use distribution, franchising and agency arrangements need to ensure that the agreements they put into place are in accordance with European Union (EU) and Member State national laws. Council Directive 86/653/EEC establishes certain minimum standards of protection for self-employed commercial agents who sell or purchase goods on behalf of their principals. In essence, the Directive establishes the rights and obligations of the principal and its agents; the agent's remuneration; and the conclusion and termination of an agency contract, including the notice to be given and indemnity or compensation to be paid to the agent. U.S. companies should be particularly aware that the Directive states that parties may not derogate certain requirements. Accordingly, the inclusion of a clause specifying an alternate body of law to be applied in the event of a dispute will likely be ruled invalid by European courts.

Key Link:
http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=CELEX:31986L0653:EN:HTML

The European Commission's Directorate General for Competition enforces legislation concerned with the effects on competition in the internal market of "vertical agreements." U.S. small and medium-sized companies (SMEs) are exempt from these Regulations because their agreements likely would qualify as "agreements of minor importance," meaning they are considered incapable of affecting competition at the EU level but useful for cooperation between SMEs. Generally speaking, companies with fewer than 250 employees and an annual turnover of less than €50 million are considered small- and medium-sized undertakings. The EU has additionally indicated that agreements that affect less than 10 percent of a particular market are generally exempted as well (Commission Notice 2001/C 368/07).

Key Link:
http://eur-lex.europa.eu/LexUriServ/site/en/oj/2001/c_368/c_36820011222en00130015.pdf

The EU also looks to combat payment delays with Directive 2000/35/EC. This covers all commercial transactions within the EU, whether in the public or private sector, primarily dealing with the consequences of late payment. Transactions with consumers, however, do not fall within the scope of this Directive. In sum, the Directive entitles a seller who does not receive payment for goods/services within 30-60 days of the payment deadline to collect interest (at a rate of 7 percent above the European Central Bank rate) as compensation. The seller may also retain the title to goods until payment is completed and may claim full compensation for all recovery costs. The current legislation is undergoing review.

Key Link: http://ec.europa.eu/enterprise/policies/single-market-goods/documents/late-payments/index_en.htm

Companies' agents and distributors can take advantage of the European Ombudsman when victim of inefficient management by an EU institution or body. Complaints can be made to the European Ombudsman only by businesses and other bodies with registered offices in the EU. The Ombudsman can act upon these complaints by investigating cases in which EU institutions fail to act in accordance with the law, fail to respect the principles of good administration, or violate fundamental rights.

Key Link: http://www.ombudsman.europa.eu/home/en/default.htm

Establishing an Office

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Finding office space in Lithuania is a straightforward process and rarely takes more than one week. Experts estimate that real estate prices have gone down by approximately 20% since the beginning of 2008. With the help of some of the companies listed below, one can easily find appropriate premises.

1. Centro Kubas: http://www.centrokubas.lt/reo/news?lang=en
2. Ober-Haus: www.ober-haus.com
3. InReal: http://www.inreal.lt/main/en
4. Re/Max: http://www.remax.lt/Default.aspx?Lang=en-US

The Embassy lists these firms for informational purposes only and does not guarantee the quality of their work. Other firms are available in Lithuania. Please see the "Lithuanian Business Directory" for company contacts.

Franchising

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The interest of local companies in franchise opportunities in Lithuania so far has been very limited. Many companies who tried in the past to pursue franchise opportunities found them economically unfeasible. The expected growth of competition among service and product suppliers should make franchise opportunities more popular in the future. Holiday Inn, KFC/Pizza Hut, Curves and McDonalds are already in Lithuania and operate using a franchise model. There are also a number of hotels in Lithuania that are within the Best Western network.

Direct Marketing

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Although many Lithuanian companies use direct marketing, consumers do not readily respond, preferring to shop in retail stores. In the early stages of the country's economic development, after independence from the Soviet Union, unscrupulous dealers used direct marketing to deceive customers, souring consumers towards this marketing tool.

There is a wide range of EU legislation that impacts the direct marketing sector. Compliance requirements are stiffest for marketing and sales to private consumers. Companies need to focus, in particular, on the clarity and completeness of the information they provide to consumers prior to purchase, and on their approaches to collecting and using customer data. The following gives a brief overview of the most important provisions flowing from EU-wide rules on distance selling and on-line commerce. It is worth noting that the EU is currently overhauling its consumer protection legislation. Companies are advised to consult the information available via the hyper-links, to check the relevant sections of national Country Commercial Guides, and to contact the Commercial Service at the U.S. Mission to the European Union for more specific guidance.

Processing Customer Data

The EU has strict laws governing the protection of personal data, including the use of such data in the context of direct marketing activities. For more information on these rules, please see the privacy section above.

Distance Selling Rules

Distance and Door-to-Door sales

The EU's Directive on distance selling to consumers (97/7/EC and amendments) sets out a number of obligations for companies doing business at a distance with consumers. It can read like a set of onerous "do's" and "don'ts," but in many ways it represents nothing more than a customer relations good practice guide with legal effect. Direct marketers must provide clear information on the identity of themselves as well as their supplier, full details on prices including delivery costs, and the period for which an offer remains valid – all of this, of course, before a contract is concluded. Customers generally have the right to return goods without any required explanation within seven days, and retain the right to compensation for faulty goods thereafter. Similar in nature is the Doorstep Directive (85/577/EEC) which is designed to protect consumers from sales occurring outside of a normal business premises (e.g., door-to-door sales) and essentially assure the fairness of resulting contracts.

Key Links: Consumer Affairs Homepage:
http://ec.europa.eu/consumers/cons_int/safe_shop/index_en.htm
Distance Selling:
http://ec.europa.eu/consumers/cons_int/safe_shop/dist_sell/index_en.htm
Door Step Selling:http://ec.europa.eu/consumers/cons_int/safe_shop/door_sell/index_en.htm

Distance Selling of Financial Services

Financial services are the subject of a separate Directive that came into force in June 2002 (2002/65/EC). This piece of legislation amends three prior existing Directives and is designed to ensure that consumers are appropriately protected in respect to financial transactions taking place where the consumer and the provider are not face-to-face. In addition to prohibiting certain abusive marketing practices, the Directive establishes criteria for the presentation of contract information. Given the special nature of financial markets, specifics are also laid out for contractual withdrawal.

Key Link: http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=CELEX:32002L0065:EN:NOT

Direct Marketing over the Internet

The e-commerce Directive (2000/31/EC) imposes certain specific requirements connected to the direct marketing business. Promotional offers must not mislead customers and the terms that must be met to qualify for them have to be easily accessible and clear. The Directive stipulates that marketing e-mails must be identified as such to the recipient and requires that companies targeting customers on-line must regularly consult national opt-out registers where they exist. When an order is placed, the service provider must acknowledge receipt quickly and by electronic means, although the Directive does not attribute any legal effect to the placing of an order or its acknowledgment. This is a matter for national law. Vendors of electronically supplied services (such as software, which the EU considers a service and not a good) must also collect value added tax (see Electronic Commerce section below).

Key Link: http://ec.europa.eu/internal_market/e-commerce/index_en.htm

Joint Ventures/Licensing

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A joint venture with the local partner is the best way for a U.S. company to start a business in Lithuania. A U.S. firm should find out as much as possible about the potential local partner, before entering into a business arrangement. Credit ratings and other basic business data on Lithuanian companies are available from local firms. Foreign investors can establish either a representative office or a corporate entity. A representative office in Lithuania gives a foreign company a legal presence in the country, but does not permit it to carry out any economic activity. A representative office is thus useful only for evaluating business opportunities. In order to pursue economic activity in Lithuania, a foreign investor must incorporate. According to Lithuanian law, foreign investors may form the following types of enterprise:

1. Sole trader;
2. General or limited partnership;
3. Public or closed (private) joint stock company;
4. State (local government) enterprise;
5. Agricultural company;
6. Cooperative; and
7. Investment agency.

The most typical enterprise is a joint stock company. An investor may buy into an existing company or establish a new one. Joint stock companies can be either partially or wholly foreign-owned.

The principal differences between private and public joint stock companies are the amount of authorized share capital, the number of shareholders, and the circulation of shares. Presently, a public joint stock company must have minimum capital reserves of 150,000 LTL (approx. 63,000 USD) and at least 50 shareholders, and its shares must circulate and trade publicly. A closed joint stock company must have minimum capital reserves of 10,000 LTL (approx. 4,000 USD) and a maximum 50 shareholders, and its shares may not circulate publicly or be traded.

Pre-incorporation steps

The investor must:

1. Secure the premises that will constitute the official address of the new company in the registration process;

2. Register the proposed name of the new company at the patent bureau;

3. Prepare and notarize the memorandum/agreement on incorporation and the by-laws of the new company; and

4. Open a savings account (several currencies, including dollars, euros, and litas, are acceptable) in a local bank in the name of the new company. Current regulations allow the transfer of funds either from foreign or domestic sources into the savings account in order to meet the minimum capital requirements and other requirements that vary according to the type of company. Opening the account is a routine procedure, but before withdrawing any funds, the investor must provide evidence of incorporation of the company. As part of the incorporation process, the bank issues a certificate documenting that the requisite funds (to meet the minimum capital requirements) are on deposit.

Upon completing the pre-incorporation steps, the investor must obtain consent of the local municipality to establish the new company and, if the new company is in manufacturing, a permit from the Department of the Environment.

It may be necessary to obtain other licenses before commencing business, depending on the nature of the business to be undertaken.

Current regulations prohibit foreign investors from engaging in business activities, related to certain aspects of national security and defense.

Incorporation process

The investor must complete the pre-incorporation steps above, obtain all requisite licenses and permits, and register the company with a municipality, before recording the company in the Economy Ministry's Register of Enterprises.

If the investor is a company incorporated outside of Lithuania, the registrant must submit the following:

1. A certified copy of the registration certificate or other documentation proving that the investor is legally incorporated, acknowledged by the Embassy of the Republic of Lithuania in the country of incorporation;

2. A copy of the latest available audited balance sheet of the investor or other acceptable document confirming the investor's ability to meet the minimum capital requirement;

3. Documentation of the board of director's decision to incorporate a company in Lithuania and invest the required capital; and

4. A certified copy of the by-laws or memorandum and articles of association of the investor.

    a) If the investor is a person, he/she must produce evidence (for example, a letter from a bank) confirming that he/she has the financial resources to meet the capital required for investment in the new company.

    b) An official translation bureau in Lithuania must make any necessary translations.

In addition to the documents detailed above, the registrant must file the following documents with the registration application:

- an agreement/memorandum of incorporation certified by a notary public in Lithuania;
- by-laws certified by a notary public in Lithuania;
- a certificate from the patent and trademark bureau showing registration of the company name;
- documentary evidence confirming the new company's official address;
- minutes of the shareholders meeting appointing the directors of the new company; and
- a certificate issued by a bank in Lithuania certifying that it has received the necessary capital for the company from abroad.

Once the registrant submits a complete application and all requisite documents to the Ministry of Economy, the Registrar of Enterprises must issue a registration certificate within 30 days.

Currently, government is considering simplification of company registration process where registration would be allowed online in some cases.

Selling to the Government

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The Public Procurement Office, which reports directly to the Government, coordinates and monitors public procurement with the relevant ministries and other authorities. The Law on Public Procurement governs all public procurement in Lithuania.

Most of the public tender announcements are published in the information supplement Informaciniai Pranesimai of the government's official paper "Valstybes Zinios" (in Lithuanian only) and on the Internet sites of the State Procurement Service, Supplement to the Official Journal of the European Union, the U.S. Mission to the European Union, and the Lithuanian government ministries.

Below is a list of internet sites of Lithuanian ministries:

1. Environment: www.am.lt
2. Finance: www.finmin.lt
3. Defense: www.kam.lt
4. Culture: www.lrkm.lt
5. Social Affairs: www.socmin.lt
6. Transport and Communications: www.transp.lt
7. Health: www.sam.lt
8. Education: www.smm.lt
9. Justice: www.tm.lt
10. Economy: www.ukmin.lt
11. Foreign Affairs: www.urm.lt
12. Interior: www.vrm.lt
13. Agriculture: www.zum.lt
14. Energy (established in Feb. 2008) www.enmin.lt

Currently, the best opportunities for American suppliers and service providers are in the environmental protection, defense, transportation, chemicals, communications, information technology, food products, and energy sectors.

The EU public procurement market, including EU institutions and Member States, totals around EUR 1,600 billion. This market is regulated by three Directives:

- Directive 2004/18 on Coordination of procedures for the award of public works, services and supplies contracts, and

- Directive 2004/17 on Coordination of procedures of entities operating in the Utilities sector, which covers the following sectors: water, energy, transport and postal services.

- Directive 2009/81 on Coordination of procedures for the award of certain works, supply and service contracts by contracting authorities in the fields of defense and security (to be implemented in national laws of EU member states by mid-2011).

Remedies directives cover legal means for companies who face discriminatory public procurement practices. These directives are implemented in the national procurement legislation of the 27 EU Member States.

The US and the EU are signatories of the World Trade Organization's (WTO) Government Procurement Agreement (GPA), which grants access to most public supplies and services and some works contracts published by national procuring authorities of the countries that are parties to the Agreement. In practice, this means that U.S.-based companies are eligible to bid on supplies and services contracts from European public contracting authorities above the agreed thresholds.
However, there are restrictions for U.S. suppliers in the EU utilities sector both in the EU Utilities Directive and in the EU coverage of the Government Procurement Agreement (GPA). The Utilities Directive allows EU contracting authorities in these sectors to either reject non-EU bids where the proportion of goods originating in non-EU countries exceeds 50% of the total value of the goods constituting the tender, or is entitled to apply a 3% price difference to non-EU bids in order to give preference to the EU bid. These restrictions are applied when no reciprocal access for EU companies in the U.S. market is offered. Those restrictions are waived for the electricity sector.

For more information, please visit the U.S. Commercial Service at the U.S. Mission to the European Union website dedicated to EU public procurement. This site also has a database of all European public procurement tenders that are open to U.S.-based firms by virtue of the Government Procurement Agreement. Access is free of charge.

Key Link: http://www.buyusa.gov/europeanunion/eu_tenders.html

Distribution and Sales Channels

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Many foreign investors believe that Lithuania has the best roads in the region. The country's three international airports and good rail and road networks permit transport of goods in all directions. Although, the recent bankruptcy of the Lithuanian national airline flyLAL temporarily limited convenient communication via Vilnius Airport, more air service is planned for Vilnius. The EU recognized Lithuania as a prime transport center in the region and has been funding the building of the Via Baltica highway and Rail Baltica through Lithuania, linking the country even more effectively to both the EU and the other Baltic countries.

Investors may sell goods in Lithuania by agreement with an agent, distributor, or retailer. For more information on Lithuanian companies see www.imones.lt

Selling Factors/Techniques

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Selling factors and techniques acceptable for a Lithuanian customer are very similar to those in the United States or elsewhere in Europe. Local market research companies

can assist in identifying marketing methods for a specific commodity. For more information on Lithuanian companies, see www.imones.lt
According to recent polls only 10% of Lithuanians buy things online. There are, however, many online shopping opportunities available in Lithuania with eBay and Amazon.com being amongst the most popular among Lithuanian online shoppers.

Electronic Commerce Return to top

In July 2003, the EU started applying Value Added Tax (VAT) to sales by non-EU based companies of Electronically Supplied Services (ESS) to EU based non-business customers. U.S. companies that are covered by the rule must collect and submit VAT to EU tax authorities. European Council Directive 2002/38/EC further developed the EU rules for charging Value Added Tax. These rules were indefinitely extended following adoption of directive 2008/8/EC.

U.S. businesses mainly affected by the 2003 rule change are those that are U.S. based and selling ESS to EU based, non-business customers or those businesses that are EU based and selling ESS to customers outside the EU who no longer need to charge VAT on these transactions. There are a number of compliance options for businesses. The Directive created a special scheme that simplifies registering with each Member State. The Directive allows companies to register with a single VAT authority of their choice. Companies have to charge different rates of VAT according to where their customers are based but VAT reports and returns are submitted to just one authority. The VAT authority responsible for providing the single point of registration service is then responsible for reallocating the collected revenue among the other EU VAT authorities.

Key Link: http://ec.europa.eu/taxation_customs/taxation/vat/how_vat_works/e-services/index_en.htm

Trade Promotion and Advertising Return to top

The Litexpo Trade Fair Center, located in the capital city of Vilnius, organizes most international and national trade fairs in Lithuania. The best way to advertise in Lithuania is to employ the services of an advertising or public relations company. Please see the "Lithuanian Business Directory" for company contacts.

General Legislation

Laws against misleading advertisements differ widely from Member State to Member State within the EU. To respond to this imperfection in the Internal Market, the Commission adopted a Directive, in force since October 1986, to establish minimum and objective criteria regarding truth in advertising. The Directive was amended in October 1997 to include comparative advertising. Under the Directive, misleading advertising is defined as any "advertising which in any way, including its presentation, deceives or is likely to deceive the persons to whom it is addressed or whom it reaches and which, by reason of its deceptive nature, is likely to affect their economic behavior or which for those reasons, injures or is likely to injure a competitor." Member States can authorize even more extensive protection under their national laws.

Comparative advertising, subject to certain conditions, is defined as "advertising which explicitly or by implication identifies a competitor or goods or services by a competitor." Member States can, and in some cases have, restricted misleading or comparative advertising.

The EU's Audiovisual Media Services Directive lays down legislation on broadcasting activities allowed within the EU. From 2009 the rules allow for US-style product placement on television and the three-hour/day maximum of advertising will be lifted. However, a 12-minute/hour maximum will remain. Child programming will be subject to a code of conduct that will include a limit of junk food advertising to children.

Following the adoption of the 1999 Council Directive on the Sale of Consumer Goods and Associated Guarantees, product specifications, as laid down in advertising, are now considered as legally binding on the seller. (For additional information on Council Directive 1999/44/EC on the Sale of Consumer Goods and Associated Guarantees, see the legal warranties and after-sales service section below.)

The EU adopted Directive 2005/29/EC concerning fair business practices in a further attempt to tighten up consumer protection rules. These rules outlaw several aggressive or deceptive marketing practices such as pyramid schemes, "liquidation sales" when a shop is not closing down, and artificially high prices as the basis for discounts in addition to other potentially misleading advertising practices. Certain rules on advertising to children are also set out.

Key Link:
http://ec.europa.eu/comm/consumers/cons_int/safe_shop/fair_bus_pract/index_en.htm
http://ec.europa.eu/avpolicy/reg/avms/index_en.htm

Medicine

The advertising of medicinal products for human use is regulated by Council Directive 2001/83/EC. Generally speaking, the advertising of medicinal products is forbidden if market authorization has not yet been granted or if the product in question is a prescription drug. Mentioning therapeutic indications where self-medication is not suitable is not permitted, nor is the distribution of free samples to the general public. The text of the advertisement should be compatible with the characteristics listed on the product label, and should encourage rational use of the product. The advertising of medicinal products destined for professionals should contain essential characteristics of the product as well as its classification. Inducements to prescribe or supply a particular medicinal product are prohibited and the supply of free samples is restricted.

The Commission presented a new framework for information to patients on medicines in 2008. The framework would allow industry to produce non-promotional information about their medicines while complying with strictly defined rules and would be subject to an effective system of control and quality assurance.

Key Link:
http://ec.europa.eu/enterprise/sectors/pharmaceuticals/index_en.htm

Nutrition & Health Claims

On July 1, 2007, a new regulation on nutrition and health claims entered into force. Regulation 1924/2006 sets EU-wide conditions for the use of nutrition claims such as "low fat" or "high in vitamin C" and health claims such as "helps lower cholesterol". The regulation applies to any food or drink product produced for human consumption that is marketed on the EU market. Only foods that fit a certain nutrient profile (below certain salt, sugar and/or fat levels) will be allowed to carry claims. Nutrition and health claims will only be allowed on food labels if they are included in one of the EU positive lists. Food products carrying claims must comply with the provisions of nutritional labeling directive 90/496/EC. From 2010, only nutrition clams in the Annex will be allowed.

The development of nutrient profiles, originally scheduled for January 2009, is being delayed due to the 2009 Parliamentary elections and the appointment of a new Commission. Once they have been set, there will be another two-year period before the nutrient profiles begin to apply to allow food operators time to comply with the new rules. Nutrition claims can fail one criterion, i.e. if only one nutrient (salt, sugar or fat) exceeds the limit of the profile, a claim can still be made provided the high level of that particular nutrient is clearly marked on the label. For example, a yogurt can make a low-fat claim even if it has high sugar content but only if the label clearly states "high sugar content". Health claims cannot fail any criteria.

The deadline of January 31, 2010, for compiling a list of well-established health function claims such as 'calcium is good for your bones' will not be met due to the vast amount of applications that have to be screened by EFSA. Disease risk reduction claims and claims referring to the health and development of children will require an authorization on a case-by-case basis, following the submission of a scientific dossier to EFSA. A simplified authorization procedure has been established for health claims based on new scientific data. GAIN Report E48055 describes how application dossiers for authorization of health claims should be prepared and presented. A guidance document on how companies can apply for health claim authorizations can be downloaded from EFSA's website at:
http://www.efsa.europa.eu/EFSA/ScientificPanels/NDA/efsa_locale-1178620753812_1178684448831.htm

Summary Document:
http://www.efsa.europa.eu/cs/BlobServer/Scientific_Opinion/nda_op_ej530_guidance_summary_en.pdf?ssbinary=true

Full Text:
http://www.efsa.europa.eu/cs/BlobServer/Scientific_Opinion/nda_op_ej530_guidance_%20health_claim_en.pdf,2.pdf?ssbinary=true

Key Links:
http://www.efsa.europa.eu/EFSA/efsa_locale-1178620753812_1178620835814.htm

Food Supplements

Regulation 1925/2006, applicable as of July 1, 2007, harmonizes rules on the addition of vitamins and minerals to foods. The regulation lists the vitamins and minerals that may be added to foods. This list was most recently revised in November 2009. A positive list of substances other than vitamins and minerals has not been established yet, although it is being developed. Until then, Member State laws will govern the use these substances.
Key Link: http://useu.usmission.gov

Tobacco

The EU Tobacco Advertising Directive bans tobacco advertising in printed media, radio, and internet as well as the sponsorship of cross-border events or activities. Advertising in cinemas and on billboards or merchandising is allowed though these are banned in many Member States. Tobacco advertising on television has been banned in the EU since the early 1990s and is governed by the TV without Frontiers Directive.

Key link: http://ec.europa.eu/health/ph_determinants/life_style/Tobacco/tobacco_en.htm

Pricing

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The following formula determines the price of goods in Lithuania:

CIF (cost, insurance, freight) price + excise tax + profit + VAT (value-added tax) = total price.

For more information on taxes, see the Lithuanian Development Agency's website at http://www.lda.lt/en/TaxesAndCosts.html and State Tax Authority at www.vmi.lt

Sales Service/Customer Support

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Conscious of the discrepancies among Member States in product labeling, language use, legal guarantee, and liability, the redress of which inevitably frustrates consumers in cross-border shopping, the EU institutions have launched a number of initiatives aimed at harmonizing national legislation. Suppliers within and outside the EU should be aware of existing and upcoming legislation affecting sales, service, and customer support.

Product Liability

Under the 1985 Directive on liability of defective products, amended in 1999, the producer is liable for damage caused by a defect in his product. The victim must prove the existence of the defect and a causal link between defect and injury (bodily as well as material). A reduction of liability of the manufacturer is granted in cases of negligence on the part of the victim.

Key link:
http://ec.europa.eu/enterprise/policies/single-market-goods/product-liability/

Product Safety

The 1992 General Product Safety Directive introduces a general safety requirement at the EU level to ensure that manufacturers only place safe products on the market. It was revised in 2001 to include an obligation on the producer and distributor to notify the Commission in case of a problem with a given product, provisions for its recall, the creation of a European Product Safety Network, and a ban on exports of products to third countries that are not deemed safe in the EU.

Key link: http://ec.europa.eu/consumers/safety/prod_legis/index_en.htm

Legal Warranties and After-sales Service

Under the 1999 Directive on the Sale of Consumer Goods and Associated Guarantees, professional sellers are required to provide a minimum two-year warranty on all consumer goods sold to consumers (natural persons acting for purposes outside their trade, businesses or professions), as defined by the Directive. The remedies available to consumers in case of non-compliance are:

- repair of the good(s);
- replacement of the good(s);
- price reduction; or
- rescission of the sales contract.

Key link:
http://ec.europa.eu/comm/consumers/cons_int/safe_shop/guarantees/index_en.htm

Other issues pertaining to consumers' rights and protection, such as the New Approach Directives, CE marking, quality control and data protection are dealt with in Chapter 5 of this report.

Protecting Your Intellectual Property

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Introduction

Several general principles are important for effective management of intellectual property rights in the European Union (EU). First, it is important to have an overall strategy to protect IPR. Second, IPR is protected differently in the EU than in the U.S. Third, rights must be registered and enforced *in* the EU under local laws. Companies may wish to seek advice from local attorneys or IP consultants. The U.S. Commercial Service can often provide a list of local lawyers upon request.

It is vital that companies understand that intellectual property is primarily a private right and that the U.S. government generally cannot enforce rights for private individuals in the EU. It is the responsibility of the rights' holders to register, protect, and enforce their rights where relevant, retaining their own counsel and advisors. While the U.S.

Government is willing to assist, there is little it can do if the rights holders have not taken these fundamental steps necessary to securing and enforcing their IPR in a timely fashion. Moreover, in many countries, rights holders who delay enforcing their rights on a mistaken belief that the USG can provide a political resolution to a legal problem may find that their rights have been eroded or abrogated due to doctrines such as statutes of limitations, laches, estoppel, or unreasonable delay in prosecuting a law suit. In no instance should USG advice be seen as a substitute for the obligation of a rights holder to promptly pursue its case.

It is always advisable to conduct due diligence on partners. Negotiate from the position of your partner and give your partner clear incentives to honor the contract. A good partner is an important ally in protecting IP rights. Keep an eye on your cost structure and reduce the margins (and the incentive) of would-be bad actors. Projects and sales in the EU require constant attention. Work with legal counsel familiar with local laws to create a solid contract that includes non-compete clauses, and confidentiality/non-disclosure provisions.

It is also recommended that small and medium-size companies understand the importance of working together with trade associations and organizations to support efforts to protect IPR and stop counterfeiting. There are a number of these organizations, both EU- and U.S.-based. These include:

- The U.S. Chamber and local American Chambers of Commerce
- National Association of Manufacturers (NAM)
- International Intellectual Property Alliance (IIPA)
- International Trademark Association (INTA)
- The Coalition Against Counterfeiting and Piracy
- International Anti-Counterfeiting Coalition (IACC)
- Pharmaceutical Research and Manufacturers of America (PhRMA)
- Biotechnology Industry Organization (BIO)

A wealth of information on protecting IPR is freely available to U.S. rights holders. Some excellent resources for companies regarding intellectual property include the following:

- For information about patent, trademark, or copyright issues -- including enforcement issues in the U.S. and other countries -- call the STOP! Hotline: **1-866-999-HALT** or register at **www.StopFakes.gov**.
- For more information about registering trademarks and patents (both in the U.S. as well as in foreign countries), contact the U.S. Patent and Trademark Office (USPTO) at: **1-800-786-9199**.
- For more information about registering for copyright protection in the U.S., contact the U.S. Copyright Office at: **1-202-707-5959**.
- For U.S. small and medium-size companies, the Department of Commerce offers a "SME IPR Advisory Program" available through the American Bar Association that provides one hour of free IPR legal advice for companies with concerns in Brazil, China, Egypt, India, Russia, and Thailand. For details and to register, visit: http://www.abanet.org/intlaw/intlproj/iprprogram.html
- For information on obtaining and enforcing intellectual property rights and market-specific IP Toolkits visit: **www.StopFakes.gov** This site is linked to the USPTO

website for registering trademarks and patents (both in the U.S. as well as in foreign countries), the U.S. Customs & Border Protection website to record registered trademarks and copyrighted works (to assist customs in blocking imports of IPR-infringing products) and allows you to register for Webinars on protecting IPR.

- For an in-depth examination of IPR requirements in specific markets, toolkits are currently available in the following countries/territories: Brazil, Brunei, China, Egypt, European Union, India, Italy, Malaysia, Mexico, Paraguay, Peru, Russia, Taiwan, Thailand, and Vietnam.
- For assistance in developing a strategy for evaluating, protecting, and enforcing IPR, use the free **Online IPR Training Module on** www.stopfakes.gov**.**

Copyright

The EU's legislative framework for copyright protection consists of a series of Directives covering areas such as the legal protection of computer programs, the duration of protection of authors' rights and neighboring rights, and the legal protection of databases. Almost all Member States have fully implemented the rules into national law; and the Commission is now focusing on ensuring that the framework is enforced accurately and consistently across the EU.

Key Link: http://ec.europa.eu/internal_market/copyright/documents/documents_en.htm

The on-line copyright Directive (2001/29/EC) addresses the problem of protecting rights holders in the online environment while protecting the interests of users, ISPs and hardware manufacturers. It guarantees authors' exclusive reproduction rights with a single mandatory exception for technical copies (to allow caching), and an exhaustive list of other exceptions that individual Member States can select and include in national legislation. This list is meant to reflect different cultural and legal traditions, and includes private copying "on condition right holders receive fair compensation."

Key Link: http://eur-lex.europa.eu/pri/en/oj/dat/2001/l_167/l_16720010622en00100019.pdf

Patents

EU countries have a "first to file" approach to patent applications, as compared to the "first to invent" system currently followed in the United States. This makes early filing a top priority for innovative companies. Unfortunately, it is not yet possible to file for a single EU-wide patent that would be administered and enforced like the Community Trademark though negotiations are progressing (see below). For the moment, the most effective way for a company to secure a patent across a range of EU national markets is to use the services of the European Patent Office (EPO) in Munich. It offers a one-stop-shop that enables rights holders to get a bundle of national patents using a single application. However, these national patents still have to be validated, maintained and litigated separately in each Member State.

Key Links: http://ec.europa.eu/internal_market/indprop/patent/index_en.htm
http://www.european-patent-office.org

Trademarks

The EU-wide Community Trademark (CTM) can be obtained via a single language application to the Office of Harmonization in the Internal Market (OHIM) in Alicante, Spain. It lasts ten years and is renewable indefinitely. For companies looking to protect trademarks in three or more EU countries the CTM is a more cost effective option than registering separate national trademarks.

On October 1, 2004, the European Commission (EC) acceded to the World Intellectual Property Organization (WIPO) Madrid Protocol. The accession of the EC to the Madrid Protocol establishes a link between the Madrid Protocol system, administered by WIPO, and the Community Trademark system, administered by OHIM. As of October 1, 2004, Community Trademark applicants and holders are allowed to apply for international protection of their trademarks through the filing of an international application under the Madrid Protocol. Conversely, holders of international registrations under the Madrid Protocol will be entitled to apply for protection of their trademarks under the Community Trademark system.

Key Links: http://oami.europa.eu/
http://www.wipo.int/madrid/en

Designs

The EU adopted a Regulation introducing a single Community system for the protection of designs in December 2001. The Regulation provides for two types of design protection, directly applicable in each EU Member State: the registered Community design and the unregistered Community design. Under the registered Community design system, holders of eligible designs can use an inexpensive procedure to register them with the EU's Office for Harmonization in the Internal Market (OHIM), based in Alicante, Spain. They will then be granted exclusive rights to use the designs anywhere in the EU for up to twenty-five years. Unregistered Community designs that meet the Regulation's requirements are automatically protected for three years from the date of disclosure of the design to the public.

Key Link: http://oami.europa.eu/

Trademark Exhaustion

Within the EU, the rights conferred on trademark holders are subject to the principle of "exhaustion." Exhaustion means that once trademark holders have placed their product on the market in one Member State, they lose the right to prevent the resale of that product in another EU country. This has led to an increase in the practice of so called "parallel importing" whereby goods bought in one Member State are sold in another by third parties unaffiliated to the manufacturer. Parallel trade is particularly problematic for the research-based pharmaceutical industry where drug prices vary from country to country due to national price Regulation.

Community wide exhaustion is spelled out in the Directive on harmonizing trademark laws. In a paper published in 2003, the Commission indicated that it had no plans to propose changes to existing legal provisions.

- Key Link: http://ec.europa.eu/internal_market/indprop/tm/index_en.htm

IPR Climate in Lithuania

Lithuania is party to a number of major international treaties and agreements on intellectual property protection. Continental Europe's concept of copyright and industrial property protection underpin Lithuania's laws on intellectual property rights (IPR). Thus, there is no requirement to register copyrighted works as a condition for protection, whereas registration with the www.vpb.lt is necessary to ensure protection of industrial property rights.

Due Diligence

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Learning as much as possible about a potential partner is always advisable. A number of companies provide due diligence services in Lithuania. For more information on Lithuanian companies see www.imones.lt

Local Professional Services

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The U.S. Embassy's Consular Section also maintains a list of local doctors and attorneys http://vilnius.usembassy.gov/attorneys.html

Local service providers focusing on EU law, consulting, and business development can be viewed on the website maintained by the Commercial Service at the U.S. Mission to the European Union at: http://www.buyusa.gov/europeanunion/services.html.

Web Resources

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Invest Lithuania: http://www.businesslithuania.com/en/index.html

EU Websites:

Coordination of the laws of the Member States relating to self-employed commercial agents (Council Directive 86/653/EEC):
http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=CELEX:31986L0653:EN:HTML

Agreements of Minor importance which do not appreciably restrict Competition under Article 81(1) of the Treaty establishing the European Community
http://eur-lex.europa.eu/LexUriServ/site/en/oj/2001/c_368/c_36820011222en00130015.pdf

Regulation on late payment: http://ec.europa.eu/enterprise/policies/single-market-goods/documents/late-payments/index_en.htm

European Ombudsman: http://www.ombudsman.europa.eu/home/en/default.htm

EU's general data protection Directive (95/46/EC):
http://ec.europa.eu/justice_home/fsj/privacy/index_en.htm

Safe Harbor: http://www.export.gov/safeharbor/

Information on contracts for transferring data outside the EU:
http://ec.europa.eu/justice_home/fsj/privacy/modelcontracts/index_en.htm

Data Protection Working Group:
http://ec.europa.eu/justice_home/fsj/privacy/workinggroup/wpdocs/2007_en.htm

Distance Selling Rules:
http://ec.europa.eu/consumers/cons_int/safe_shop/dist_sell/index_en.htm

Distance Selling of Financial Services:
http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=CELEX:32002L0065:EN:NOT

E-commerce Directive (2000/31/EC):
http://ec.europa.eu/internal_market/e-commerce/index_en.htm

VAT on Electronic Service:
http://ec.europa.eu/taxation_customs/taxation/vat/how_vat_works/e-services/index_en.htm

The Unfair Commercial Practices Directive:
http://ec.europa.eu/comm/consumers/cons_int/safe_shop/fair_bus_pract/index_en.htm

Information to Patients - Major developments:
http://ec.europa.eu/enterprise/sectors/pharmaceuticals/index_en.htm

Nutrition and health claims made on foods:
Regulation 1924/2006

Provisions of Nutritional Labeling:
Nutritional labeling directive 90/496/EC

EU-27 FAIRS Subject Report Health Claims - EU Authorization Procedure 2008:
GAIN Report E48055
Guidance document on how companies can apply for health claim authorizations:

Summary document from EFSA:
http://www.efsa.europa.eu/cs/BlobServer/Scientific_Opinion/nda_op_ej530_guidance_summary_en.pdf?ssbinary=true

Full document from EFSA:
http://www.efsa.europa.eu/cs/BlobServer/Scientific_Opinion/nda_op_ej530_guidance_%20health_claim_en.pdf,2.pdf?ssbinary=true

Health & Nutrition Claims:
http://ec.europa.eu/food/food/labellingnutrition/claims/index_en.htm

Tobacco: http://ec.europa.eu/health/ph_determinants/life_style/Tobacco/tobacco_en.htm

Product Liability:

http://europa.eu/legislation_summaries/consumers/consumer_safety/l32012_en.htm

Product Safety: http://ec.europa.eu/consumers/safety/prod_legis/index_en.htm

Legal Warranties and After-sales Service:
http://ec.europa.eu/comm/consumers/cons_int/safe_shop/guarantees/index_en.htm

Copyright: http://ec.europa.eu/internal_market/copyright/documents/documents_en.htm

Harmonization of certain aspects of Copyright and related rights in the Information Society - Copyright Directive (2001/29/EC):
http://eur-lex.europa.eu/pri/en/oj/dat/2001/l_167/l_16720010622en00100019.pdf

Industrial Property: http://ec.europa.eu/internal_market/indprop/index_en.htm

European Patent Office (EPO): http://www.european-patent-office.org

Office for Harmonization in the Internal Market (OHIM): http://oami.europa.eu/

World Intellectual Property Organization (WIPO) Madrid: http://www.wipo.int/madrid/en

Directive on harmonizing trademark laws:
http://ec.europa.eu/internal_market/indprop/tm/index_en.htm

U.S. Websites:

IPR Toolkit: http://www.buyusa.gov/europeanunion/ipr.html

EU Public Procurement: http://www.buyusa.gov/europeanunion/eu_tenders.html

Food supplements: http://useu.usmission.gov/agriculture.html

Local Professional Services: http://www.buyusa.gov/europeanunion/services.html.

EU Member State Country Commercial Guides - Market Research Library: EU Member States' Country Commercial Guideshttp://www.buyusainfo.net/body2.cfm?id=0&dbf=ccg1&region=European%20Union&secondline=1&fontsize1=2&fontsize2=1&fontface=1&logic=and&loadnav=no&avar=19919

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Chapter 4: Leading Sectors for U.S. Export and Investment

Commercial Sectors

The Showcase Europe program run by the U.S. Department of Commerce's offices throughout Europe provides U.S. exporters a broader perspective on the European market. It is organized around eight leading sectors (listed alphabetically): aerospace & defense, automotive, energy & power generation, environmental technologies, information & communications technologies, medical & pharmaceutical, safety & security and travel & tourism. For more information on how to receive an assessment of your company's product potential in Europe, please visit: http://www.buyusa.gov/quicktake

- Computer Software and Hardware
- Energy and Power Generation Equipment
- Pollution Control Equipment/Environmental Services
- Building Materials
- Agricultural Sector

Computer Software and Hardware

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ITA industry code: CPT, CSF

Best Prospects/Services

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The Lithuanian IT market is small but developing rapidly. Both public and private sectors cite IT infrastructure development as strategic priorities. The public sector has an IT infrastructure development plan. Businesses increasingly install corporate LANs. A growing number of private consumers are purchasing computers and peripherals.

The computer and peripherals market in Lithuania is well developed and all major hardware and software suppliers, including Microsoft, IBM, HP, and Compaq, have a market presence. There are about 500 computer companies in Lithuania, of which approximately 20 dominate the market. American-branded equipment and accessories account for 80% of the total annual imports in this sector.

The sale of personal computers started to grow rapidly from 2005, primarily because of new tax incentives that provided personal income tax deductions for PC purchases.
In the last few years, the internet penetration rate in Lithuania has grown to 59% (Europe average 53%) The number of internet users has risen several-fold in the past years to 2.1 million subscribers.

The focus of the Lithuanian IT sector in recent years has been on creating the necessary infrastructure to meet the demands of an information society. Demand for software development and consulting is growing rapidly. Supporting networks -- including LANs and WANs -- and internet applications are in demand.

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The best prospects for U.S. IT exports are powerful multi-media processors, networking equipment, and internet and e-commerce application software. Supporting networks -- including LANs and WANs -- and internet applications are in demand.

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Infobalt: www.infobalt.lt

Energy and Power Generation Equipment

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ITA industry code: ELP

By agreement with the European Union, Lithuania decommissioned the Ignalina nuclear power plant, which generated up to 90% of the country's electricity. The first of the plant's two reactors was closed on December 31, 2004; the second was closed on January 1, 2009.

Lithuania imports almost all of its energy resources, including oil, gas, and coal. The production capacity of Lithuania's oil refinery exceeds domestic demand, making the country a net exporter of petrochemicals. Electricity exports have dropped sharply since Lithuania took two of Ignalina's nuclear reactors offline and today about 50% of electricity is produced locally with the rest being imported primarily from Russia. Lithuania has no gas fields, and imports all of its natural gas from Russia. Gas accounts for approximately 30% of Lithuania's energy demand. Thermal energy plants and the chemical industry are the largest users of natural gas. The government is considering construction of a gas storage facility and LNG terminal to maintain reserves.

High-voltage (330kv and higher) overhead lines interconnect Lithuania's energy systems, which operates synchronously with the IPS/UPS electricity grid, which includes the power systems of nearly all the countries of the former Soviet Union, including Latvia, Estonia, Russia, and Belarus. Lithuania's National Energy Strategy (NES), adopted in 2007 and superseded by the Energy Independence Strategy (EIS) in 2010, calls for Lithuania to synchronize its electricity grid with Western Europe's UCTE grid by 2015. The EIS also calls for high-voltage links with Poland and Sweden by 2014. The Baltics' first electricity connection with the Western European grid, between Estonia and Finland, began operation in December 2006. All three Baltic States and Poland have agreed to cooperate in constructing a new nuclear power plant on the site of the current plant at Ignalina, a project which could cost between USD 6 and 8 billion.

Opportunities

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Potential opportunities in the Lithuanian power-generation sector for both U.S. power-generation technology and service companies include the following:

- restructuring and privatization of the state-owned power generation companies (modernization of the existing plants, process control, environmental issues);
- decommissioning of the Ignalina Nuclear Power Plant's two reactors;
- construction of the Visaginas nuclear power plant;
- construction of electric power lines to Poland and Sweden;
- expansion and modernization of the gas distribution network;
- construction of natural gas storage facilities;
- development of renewable energy sources;
- construction of nuclear waste storage.

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Lithuanian Ministry of Economy: http://www.ukmin.lt
Invest Lithuania: http://www.businesslithuania.com/en/index.html
Lithuanian Energy Institute: http://www.lei.lt/index.php?k=9

Pollution Control Equipment/Environmental Services

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ITA Industry Code: POL

The Government of Lithuania launched its environmental protection program in 1992, defining and prioritizing all major environmental problems in the country. Economic development increased the urgency of resolving environmental problems. Lithuania added new policies regarding environmental cleanup and pollution prevention to the legal framework in 1995.

Some projections estimate a need for USD 50 million in annual spending by 2015 to comply with EU environmental requirements. The Lithuanian Ministry of the Environment is responsible for preparing the country to meet these requirements. The bulk of spending on the environment will go toward improving wastewater treatment, sewage networks and waste management. Environmental protection is a priority in the national Public Investment Program. With the need to meet EU requirements, there will be opportunities in the environmental sector in areas such as protection and prevention, remediation, monitoring, and waste disposal.

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U.S. environmental consulting companies appear to be more active than equipment manufacturers and suppliers in this sector. There are substantial opportunities for environmental service providers willing to team with local partners. Such opportunities include laboratory chemical analysis, site assessment, soil and groundwater remediation, environmental impact consulting, and services related to hazardous and other waste management**.** About four percent of the waste management equipment sold in Lithuania is of U.S. origin.

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Lithuanian Ministry of Environment: http://www.am.lt/VI/index.php

Building Materials

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ITA Industry code: BLD

In the mid 2000s, Lithuania was a land of opportunities for real estate developers and investors. From 2003 to 2007 real estate prices increased at a robust annual rate of 35 to 50 percent. Those who invested in new buildings in prestigious locations may have received investment returns of up to 100 percent in under a year. The market cooled in late 2006; impacted by the global financial crisis, prices fell by approximately 40%. Today almost all construction companies report difficulties in getting new contracts and real estate companies continue to express their worries about continued real estate price drops, although in the year up to October 2010, the drop in the apartment price index for Lithuania's five largest cities slowed to 5%. In an effort to stop the collapse of the construction sector Government made a decision to launch a 3 LTL billion (1.2 USD billion) program to renovate and insulate public and residential buildings of the country. This may create opportunities for U.S. suppliers of energy efficiency and insulation materials.

Opportunities

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Virtually all products associated with building renovation and construction are in demand, including paints, doors, windows, plumbing equipment, lighting, insulation materials, heating systems, tools, and machinery.

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Invest Lithuania: http://www.businesslithuania.com/en/index.html
Lithuanian Builders Association: http://www.statybininkai.lt/?id=2238&lang=en

Agriculture

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Lithuania is a net importer of food products. Lithuania's main food product imports include beverages, meat products, fruits, vegetables, coffee, tea, and feed grains. In 2009, major U.S. exports to Lithuania included fish, dried fruits, nuts, oilseeds, vegetables, wines, and alcohol.

Lithuania prohibits imports of American beef and chicken due to a dispute between the United States and the EU over technical sanitation and health issues. The imposition of tariffs on non-EU agricultural imports disadvantages sales of many U.S. products that would otherwise have good import potential.

Lithuania's food exports include dairy products, meat, fish, and beverages. The United States imports wood products, beverages, frozen fish, starch, glues, and cotton articles from Lithuania.

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U.S.-produced products that are available in retail stores and have good market potential include pet foods, dried fruits and nuts, wines, liquors, and fresh fruits.

The flow of EU funds into Lithuania may create opportunities in the agricultural sector. Lithuania's agricultural sector is forecasted to receive more than USD 3 billion over the period of 2007-2013 under the EU's Common Agricultural Policy (CAP). The EU also plans to spend USD 80 million in Lithuania to finance agricultural investment projects, like the acquisition of machinery and equipment and the construction and renovation of buildings. Lithuania's Rural Development Plan will also dole out millions of dollars to farmers to support early retirement or alternate livelihoods for those farming land unsuitable for modern agriculture, reforestation of agricultural land, restructuring of farms, and enforcement of standards.

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Chapter 5: Trade Regulations and Standards

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There are no quantitative constraints on imports. In addition to tariffs, imports are subject to excise taxes and a 21% VAT. For more information on EU tariffs consult http://ec.europa.eu/taxation_customs/dds/cgi-bin/tarquer?Lang=EN

Trade Barriers Return to top

Lithuania does not present significant barriers to the imports of U.S. goods and services beyond those the EU imposes. Military contracts in excess of LTL 5 million (USD 1.9 million) require offset agreements. Lithuania may require EU design standards for public procurement (e.g., in a tender issuance for a public safety system).

Information on agricultural trade barriers can be found at the following website: http://useu.usmission.gov/Dossiers/Agriculture/default.asp

For information on existing trade barriers, please see the National Trade Estimate Report on Foreign Trade Barriers, published by USTR and available through the following website: http://www.ustr.gov

Information on agricultural trade barriers can be found at the following website: http://www.fas.usda.gov/posthome/useu/

To report existing or new trade barriers and get assistance in removing them, contact either the Trade Compliance Center at http://www.trade.gov/tcc or the U.S. Mission to the European Union at http://www.buyusa.gov/europeanunion.

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Lithuanian customs authorities require a copy of the sales contract, an invoice, a bill of lading indicating the amount, weight and value of imported goods, and the certificate of origin. At the border, an importer or his agent must complete a customs declaration and a customs freight delivery note.

For meat imports, the State Veterinary Department provides border inspection controls for bovine spongiform encephalopathy (BSE), classic swine fever, salmonella, FMD, and other diseases. Imported food products require conformity certificates of quality and wholesomeness. Cosmetics and toys require a producer's declaration.

The Integrated Tariff of the Community, referred to as TARIC (Tarif Intégré de la Communauté), is designed to show various rules applying to specific products being imported into the customs territory of the EU or, in some cases, when exported from it. To determine if a license is required for a particular product, check the TARIC.

The TARIC can be searched by country of origin, Harmonized System (HS) Code, and product description on the interactive website of the Directorate-General for Taxation and the Customs Union. The online TARIC is updated daily.

Many EU Member States maintain their own list of goods subject to import licensing. For example, Germany's "Import List" (Einfuhrliste) includes goods for which licenses are required, their code numbers, any applicable restrictions, and the agency that will issue the relevant license. The Import List also indicates whether the license is required under German or EU law. For information relevant to Member State import licenses, please consult the relevant Member State Country Commercial Guide: EU Member States' Country Commercial Guides or conduct a search on the Commerce Department's Market Research Library, available from: http://www.export.gov/mrktresearch/index.asp.

Key Link: http://ec.europa.eu/taxation_customs/common/databases/taric/index_en.htm

Import Documentation

Non-agricultural Documentation

The official model for written declarations to customs is the Single Administrative Document (SAD). European Free Trade Association (EFTA) countries including Norway, Iceland, Switzerland, and Liechtenstein also use the SAD. However, other forms may be used for this purpose. Information on import/export forms is contained in Title VII, of Council Regulation (EEC) No. 2454/93, which lays down provisions for the implementation of Council Regulation (EEC) No. 2913/92 establishing the Community Customs Code (Articles 205 through 221). Articles 222 through 224 provide for computerized customs declarations and Articles 225 through 229 provide for oral declarations.

Additional information on import/export documentation can be found in Title III, of Council Regulation (EEC) No. 2913/92 of October 12, 1992, establishing the Community Customs Code (Articles 37 through 57). Goods brought into the customs territory of the Community are, from the time of their entry, subject to customs supervision until customs formalities are completed.

Goods presented to customs are covered by a summary declaration, which is lodged once the goods have been presented to customs. The customs authorities may, however, allow a period for lodging the declaration, which cannot be extended beyond the first working day following the day on which the goods are presented to customs. The summary declaration can be made on a form corresponding to the model prescribed by the customs authorities. However, the customs authorities may permit the use, as a summary declaration, of any commercial or official document that contains the particulars necessary for identification of the goods. It is encouraged that the summary declaration be made in computerized form.

The summary declaration is to be lodged by:

- the person who brought the goods into the customs territory of the Community or by any person who assumes responsibility for carriage of the goods following such entry; or
- the person in whose name the person referred to above acted.

Non-EU goods presented to customs must be assigned a customs-approved treatment or use authorized for such non-Community goods. Where goods are covered by a summary declaration, the formalities for them to be assigned a customs-approved treatment or use must be carried out:

- 45 days from the date on which the summary declaration is lodged in the case of goods carried by sea;
- 20 days from the date on which the summary declaration is lodged in the case of goods carried other than by sea.

Where circumstances so warrant, the customs authorities may set a shorter period or authorize an extension of the period.

The Modernized Customs Code (MCC) of the European Union is expected to be fully put into place by 2013 although there are concerns that this deadline may be missed due to the complexity of the project. Some facets of the MCC implementation have already been put into place such as Economic Operators Registration and Idendification (EORI) numbers. The MCC will replace the existing Regulation 2913/92 and simplify various procedures such as introducing a paperless environment, centralized clearance, and more. Check the EU's Customs website periodically for updates: http://ec.europa.eu/taxation_customs/customs/procedural_aspects/general/community_code/index_en.htm.

Batteries

EU battery rules changed in September 2006 following the publication of the Directive on batteries and accumulators and waste batteries and accumulators (Directive 2006/66). This Directive replaces the original Battery Directive of 1991 (Directive 91/157). The updated Directive applies to all batteries and accumulators put on the EU market including automotive, industrial and portable batteries. It aims to protect the environment by restricting the sale of batteries and accumulators that contain mercury or cadmium (with an exemption for emergency and alarm systems, medical equipment and cordless power tools) and by promoting a high level of collection and recycling. It places the responsibility on producers to finance the costs associated with the collection, treatment, and recycling of used batteries and accumulators. The Directive also includes provisions on the labeling of batteries and their removability from equipment.

For more information, see our market research report: http://www.buyusainfo.net/docs/x_8086174.pdf or visit the CS EU website Batteries Direct page at: http://www.buyusa.gov/europeanunion/batteries.html

REACH

REACH is a major reform of EU chemicals policy that was adopted in December 2006 and became national law in the 27 EU Member States in June 2007 (Regulation 1907/2006). Virtually every industrial sector, from automobiles to textiles, is affected by the new policy. REACH stands for the "Registration, Evaluation and Authorization and Restriction of Chemicals." Since June 1 2008, REACH requires chemicals produced or imported into the EU in volumes above 1 ton per year per to be registered with a central European Chemicals Agency (ECHA), including information on their properties, uses and safe ways of handling them. Chemicals pre-registered before December 1 2008, benefit from extended registration deadlines, from three to eleven years depending on the volume of the substance and its hazard properties. U.S. companies without a presence in Europe cannot register directly and must have their chemicals registered through their importer or EU-based 'Only Representative of non-EU manufacturer'. A list of Only Representatives can be found on the website of the U.S. Mission to the EU: http://www.buyusa.gov/europeanunion/reach.html.

U.S. exporters to the EU should carefully consider the REACH 'Candidate List' of substances of very high concern. Substances on that list are subject to communication requirements and may at a later stage require Authorization for the EU market. For more information, see the ECHA website: http://echa.europa.eu/chem_data/authorisation_process/candidate_list_table_en.asp

WEEE & RoHS

EU rules on waste electrical and electronic equipment (WEEE), while not requiring specific customs or import paperwork, may entail a financial obligation for U.S. exporters. They require U.S. exporters to register the products with a national WEEE authority, or arrange for this to be done by a local partner. Similarly, related rules for EEE restricting the use of the hazardous substances (RoHS) lead, cadmium, mercury, hexavalent chromium, PBBs, and PBDEs, do not entail customs or importation paperwork. However, U.S. exporters may be asked by a European RoHS enforcement authority or by a customer to provide evidence of due diligence in compliance with the substance bans on a case-by-case basis. The WEEE and RoHS Directives are currently being revised to enlarge the scope and add substances to be banned in electrical and electronic equipment; the new rules could take effect as early as 2011. U.S. exporters seeking more information on WEEE and RoHS regulations should visit: http://www.buyusa.gov/europeanunion/weee.html

Agricultural Documentation

Phytosanitary Certificates: Phytosanitary certificates are required for most fresh fruits, vegetables, and other plant materials.

Sanitary Certificates: For commodities composed of animal products or by-products, EU countries require that shipments be accompanied by a certificate issued by the competent authority of the exporting country. This applies regardless of whether the product is for human consumption, for pharmaceutical use, or strictly for non-human use (e.g., veterinary biologicals, animal feeds, fertilizers, research). The vast majority of these certificates are uniform throughout the EU, but the harmonization process is not complete. During this transition period, certain Member State import requirements continue to apply. In addition to the legally required EU health certificates, a number of other certificates are used in international trade. These certificates, which may also be harmonized in EU legislation, certify origin for customs purposes and certain quality attributes. Up-to-date information on harmonized import requirements can be found at the following website: http://www.fas.usda.gov/posthome/useu/certificates-overview.html

Sanitary Certificates (Fisheries): In April 2006, the European Union declared the U.S. seafood inspection system as equivalent to the European one. Consequently, a specific public health certificate must accompany U.S. seafood shipments. Commission Decision 2006/199/EC places specific conditions on imports of fishery products from the U.S. Sanitary certificates for live shellfish are covered by Commission Regulation (EC) 1664/2006 and must be used for gastropods, bivalve mollusks, tunicates and echinoderms. The two competent Authorities for issuing sanitary certificates are the FDA and the U.S. Department of Commerce, National Marine Fisheries Service (NMFS/NOAA/USDC).

Since May 1, 2007, with the implementation of the second Hygiene Package, aquaculture products coming from the United States must be accompanied by a public health certificate according to Commission Decision 2006/199/EC and the animal health attestation included in the new fishery products certificate covered by Regulation (EC) 1664/2006. This animal health attestation is not required in the case of live bivalve mollusks intended for immediate human consumption (retail).

For detailed information on import documentation for seafood, please contact the NOAA Fisheries office at the U.S. Mission to the EU (stephane.vrignaud@mail.doc.gov) or visit the following FDA dedicated web site: http://www.cfsan.fda.gov/.

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For information on U.S. export controls, consult the http://www.bis.doc.gov/licensing/exportingbasics.htm

Temporary Entry Return to top

Goods transiting Lithuania are not subject to duties. It is possible to obtain a temporary duty exemption for items such as commercial samples and for goods intended for public displays at exhibitions and fairs. If the goods are put to any unauthorized use or are not re-exported within the prescribed period, they are subject to duties, taxes, and the standard customs clearance procedures.

Labeling and Marking Requirements Return to top

The following information must appear in Lithuanian on retail packaging or be otherwise marked on the product (i.e., on a sticker or label):

- Product name (indicating the package contents);

- Manufacturer's name or the name of the company that had the product manufactured; and

- Content mass or volume (to be specified using the metric system).

The following information should also appear on the retail packaging or be otherwise clearly identified on the product: product contents, care instructions, operating instructions, and a warning of possible danger related to the use or disposal of the product.

Packaged food for retail sale must show the name of the manufacturer and importer, product name, net metric mass or volume, ingredients, recommended final date of sale, and storage instructions, if perishable or intended for infants. This information must be in Lithuanian.

An overview of EU mandatory and voluntary labeling and marking requirements is available on http://www.export.gov/mrktresearch/index.asp

Prohibited and Restricted Imports

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The Government of Lithuania controls import, export, and transit of strategic goods and technologies on the Ministry of Economy's list of Controlled Strategic Goods and Technology. The Economy Ministry issues licenses for import or export of such. For more information on import/export control, see http://www.ukmin.lt/en/trade/

The TARIC is designed to show various rules applying to specific products being imported into the customs territory of the EU or, in some cases, when exported from it. To determine if a product is prohibited or subject to restriction, check the TARIC for that product for the following codes:

CITES	Convention on International Trade of Endangered Species
PROHI	Import Suspension
RSTR	Import Restriction

For information on how to access the TARIC, see the Import Requirements and Documentation Section above.

Key Link: http://ec.europa.eu/taxation_customs/common/databases/taric/index_en.htm

Customs Regulations and Contact Information

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Homepage of Customs and Taxation Union Directorate (TAXUD) Website

Key Link: http://ec.europa.eu/taxation_customs/customs/index_en.htm

Major Regulatory Efforts of the EC Customs and Taxation Union Directorate:

Electronic Customs Initiative – Deals with major EU Customs modernization developments to improve and facilitate trade in the EU Member States. The electronic customs initiative is essentially based on the following three pieces of legislation:

- The Security and Safety Amendment to the Customs Code, which provides for full computerization of all procedures related to security and safety;
- The Decision on the paperless environment for customs and trade (Electronic Customs Decision) which sets the basic framework and major deadlines for the electronic customs projects;
- The modernized Community Customs Code which provides for the completion of the computerization of customs

Key Link:
http://ec.europa.eu/taxation_customs/customs/policy_issues/electronic_customs_initiative/electronic_customs_legislation/index_en.htm

Customs Valuation – Most customs duties and value added tax (VAT) are expressed as a percentage of the value of goods being declared for importation. Thus, it is necessary to dispose of a standard set of rules for establishing the goods' value, which will then serve for calculating the customs duty.

The EU imports in excess of one trillion euro worth of goods (year 2004 estimate). It is vitally important that the value of such commerce is accurately measured, for the purposes of:

- economic and commercial policy analysis,
- application of commercial policy measures,
- proper collection of import duties and taxes, and
- import and export statistics.

These objectives are met using a single instrument - the rules on customs value.

The EU applies an internationally accepted concept of 'customs value'.

The value of imported goods is one of the three 'elements of taxation' that provides the basis for assessment of the customs debt, which is the technical term for the amount of duty that has to be paid, the other ones being the origin of the goods and the customs tariff.

Key Link:
http://ec.europa.eu/taxation_customs/customs/customs_duties/declared_goods/index_en.htm

Customs and Security – At the end of July 2003, the European Commission presented to the Parliament and Council a series of measures to address security issues. These measures can be found in two communications and a proposal for amending the

Community Customs Code. This package brings together the basic concepts underlying the new security-management model for the EU's external borders, such as a harmonized risk assessment system. The security amendment to the Community Customs Code (Regulation (EC) n° 648/2005 of 13 April 2005) has been published in the Official Journal of the European Union on 4 May 2005. With this amendment the European Union introduces a number of measures to tighten security around goods crossing international borders. The measures will mean faster and better-targeted checks. The results are positive for customs authorities, the public and industry.

The measures cover three major changes to the Customs Code:

- require traders to provide customs authorities with information on goods prior to import to or export from the European Union (see Pre Arrival / Pre Departure Declarations);
- provide reliable traders with trade facilitation measures see Authorized Economic Operator (AEO);
- introduce a mechanism for setting uniform Community risk-selection criteria for controls, supported by computerized systems.

Key Link:
http://ec.europa.eu/taxation_customs/customs/policy_issues/customs_security/index_en.htm

Contact Information at national customs authorities:

http://ec.europa.eu/taxation_customs/taxation/personal_tax/savings_tax/contact_points/index_en.htm

Lithuania Customs Department: http://www.cust.lt

Standards

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Products tested and certified in the United States to American standards are likely to have to be retested and re-certified to EU requirements as a result of the EU's different approach to the protection of the health and safety of consumers and the environment. Where products are not regulated by specific EU technical legislation, they are always subject to the EU's General Product Safety Directive as well as to possible additional national requirements.

European Union standards created under the New Approach are harmonized across the 27 EU Member States and European Economic Area countries to allow for the free flow of goods. A feature of the New Approach is CE (Conformité Européenne – European health and safety product label) marking. For a list of new approach legislation, go to http://ec.europa.eu/enterprise/policies/european-standards/documents/harmonised-standards-legislation/list-references/index_en.htm

While harmonization of EU legislation can facilitate access to the EU Single Market, manufacturers should be aware that regulations and technical standards might also function as barriers to trade if U.S. standards are different from those of the European Union.

Agricultural Standards

The establishment of harmonized EU rules and standards in the food sector has been ongoing for several decades, but it took until January 2002 for the publication of a general food law establishing the general principles of EU food law. This Regulation introduced mandatory traceability throughout the feed and food chain as of Jan 1, 2005. For specific information on agricultural standards, please refer to the Foreign Agricultural Service's website at: http://www.fas.usda.gov/posthome/useu/

There are also export guides to import regulations and standards available on the Foreign Agricultural Service's website: http://www.fas.usda.gov/posthome/useu/

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EU standards setting is a process based on consensus initiated by industry or mandated by the European Commission and carried out by independent standards bodies, acting at the national, European or international level. There is strong encouragement for non-governmental organizations, such as environmental and consumer groups, to actively participate in European standardization.

Many standards in the EU are adopted from international standards bodies such as the International Standards Organization (ISO). The drafting of specific EU standards is handled by three European standards organizations:

- CENELEC, European Committee for Electrotechnical Standardization (http://www.cenelec.eu/Cenelec/Homepage.htm)
- ETSI, European Telecommunications Standards Institute (http://www.etsi.org/)
- CEN, European Committee for Standardization, handling all other standards (http://www.cen.eu/cenorm/homepage.htm)

Standards are created or modified by experts in Technical Committees or Working Groups. The members of CEN and CENELEC are the national standards bodies of the Member States, which have "mirror committees" that monitor and participate in ongoing European standardization. CEN and CENELEC standards are sold by the individual

Member States standards bodies. ETSI is different in that it allows direct participation in its technical committees from non-EU companies that have interests in Europe and gives away its individual standards at no charge on its website. In addition to the three standards developing organizations, the European Commission plays an important role in standardization through its funding of the participation in the standardization process of small- and medium-sized companies and non-governmental organizations, such as environmental and consumer groups. The Commission also provides money to the standards bodies when it mandates standards development to the European Standards Organization for harmonized standards that will be linked to EU technical legislation. Mandates can be checked on line at http://ec.europa.eu/enterprise/policies/european-standards/standardisation-requests/index_en.htm

Due to the EU's vigorous promotion of its regulatory and standards system as well as its generous funding for its development, the EU's standards regime is wide and deep - extending well beyond the EU's political borders to include affiliate members (countries which are hopeful of becoming full members in the future) such as Albania, Croatia, FYR of Macedonia, and Turkey among others. Another category, called "partner standardization body" includes the standards organization of Australia, which is not likely to become a CEN member or affiliate for political or geographical reasons. Many other countries are targets of the EU's extensive technical assistance program, which is aimed at exporting EU standards and technical Regulations to developing countries, especially in the Mediterranean and Balkan countries, Africa, as well as programs for China and Latin America.

To know what CEN and CENELEC have in the pipeline for future standardization, it is best to visit their websites. CEN's "sectors" page provides an overview by sector and/or technical committee whereas CENELEC offers the possibility to search its database. ETSI's portal (http://portal.etsi.org/Portal_Common/home.asp) leads to ongoing activities.

With the need to adapt more quickly to market needs, European standards organizations have been looking for "new deliverables" which are standard-like products delivered in a shorter timeframe. While few of these "new deliverables" have been linked to EU Regulations, expectations are that they will eventually serve as the basis for EU-wide standards.

Key Link: http://www.cen.eu/cenorm/products/cwa/index.asp

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Conformity Assessment is a mandatory step for the manufacturer in the process of complying with specific EU legislation. The purpose of conformity assessment is to ensure consistency of compliance during all stages of the production process to facilitate acceptance of the final product. EU product legislation gives manufacturers some choice with regard to conformity assessment, depending on the level of risk involved in the use of their product. These range from self-certification, type examination and production quality control system, to full quality assurance system. You can find conformity assessment bodies in individual Member State country in this list by the European Commission.

Key Link: http://ec.europa.eu/enterprise/newapproach/nando/

To promote market acceptance of the final product, there are a number of voluntary conformity assessment programs. CEN's certification systems are the Keymark, the CENCER mark, and CEN workshop agreements (CWA) Certification Rules. CENELEC has its own initiative. ETSI does not offer conformity assessment services.

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To sell products on the EU market of 27 Member States as well as Norway, Liechtenstein and Iceland, U.S. exporters are required to apply CE marking whenever their product is covered by specific product legislation. CE marking product legislation offers manufacturers a number of choices and requires decisions to determine which safety/health concerns need to be addressed, which conformity assessment module is best suited to the manufacturing process, and whether or not to use EU-wide harmonized standards. There is no easy way for U.S. exporters to understand and go through the process of CE marking, but hopefully this section provides some background and clarification.

Products manufactured to standards adopted by CEN, CENELEC and ETSI, and published in the Official Journal as harmonized standards, are presumed to conform to the requirements of EU Directives. The manufacturer then applies the CE marking and issues a declaration of conformity. With these, the product will be allowed to circulate freely within the EU. A manufacturer can choose not to use the harmonized EU standards, but then must demonstrate that the product meets the essential safety and performance requirements. Trade barriers occur when design, rather than performance, standards are developed by the relevant European standardization organization, and when U.S. companies do not have access to the standardization process through a European presence.

The CE marking addresses itself primarily to the national control authorities of the Member States, and its use simplifies the task of essential market surveillance of regulated products. Although CE marking is intended primarily for inspection purposes by Member State inspectors, the consumer may well perceive it as a quality mark.

The CE marking is not intended to include detailed technical information on the product, but there must be enough information to enable the inspector to trace the product back to the manufacturer or the authorized representative established in the EU. This detailed information should not appear next to the CE marking, but rather on the declaration of conformity (which the manufacturer or authorized agent must be able to provide at any time, together with the product's technical file), or the documents accompanying the product.

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Independent certification bodies, known as notified bodies, have been officially accredited by competent national authorities to test and certify to EU requirements. However, under U.S.-EU Mutual Recognition Agreements (MRAs), notified bodies based in the United States and referred to as conformity assessment bodies, are allowed to test in the United States to EU specifications, and vice versa. The costs are significantly lower which results in U.S. products becoming more competitive. At this time, the U.S.-EU MRAs cover the following sectors: EMC (in force), RTTE (in force), medical devices (in transition), pharmaceutical (on hold), recreational craft (in force) and marine equipment (in force). The U.S. Department of Commerce, National Institute of Standards and Technology (NIST), has a link on its website to American and European Conformity Assessment bodies operating under a mutual recognition agreement.

Key Link: http://ts.nist.gov/Standards/Global/mra.cfm

Accreditation is handled at Member State level. "European Accreditation" (http://www.european-accreditation.org/content/home/home.htm) is an organization representing nationally recognized accreditation bodies. Membership is open to nationally recognized accreditation bodies in countries in the European geographical area that can demonstrate that they operate an accreditation system compatible with EN45003 or ISO/IEC Guide 58.

Publication of Technical Regulations

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The Official Journal is the official gazette of the European Union. It is published daily on the internet and consists of two series covering draft and adopted legislation as well as case law, studies by committees, and more (http://eur-lex.europa.eu/JOIndex.do)It lists the standards reference numbers linked to legislation (http://ec.europa.eu/enterprise/policies/european-standards/documents/harmonised-standards-legislation/list-references/index_en.htm). National technical Regulations are published on the Commission's website http://ec.europa.eu/enterprise/tris/index_en.htm to allow other countries and interested parties to comment.

Member countries of the World Trade Organization (WTO) are required under the Agreement on Technical Barriers to Trade (TBT) Agreement to report to the WTO all proposed technical regulations that could affect trade with other member countries. **Notify U.S.** is a free, web-based e-mail subscription service that offers an opportunity to review and comment on proposed foreign technical regulations that can affect access to international markets. Register online at Internet URL: http://tsapps.nist.gov/notifyus/data/index/index.cfm

Labeling and Marking

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The following information must appear in Lithuanian on retail packaging or be otherwise marked on the product (i.e., on a sticker or label):

- Product name (indicating the package contents);
- Manufacturer's name or the name of the company that had the product manufactured; and
- Content mass or volume (to be specified using the metric system).

Manufacturers should be mindful that, in addition to the EU's mandatory and voluntary schemes, national voluntary labeling schemes might still apply. These schemes may be highly appreciated by consumers, and thus, become unavoidable for marketing purposes.

Manufacturers are advised to take note that all labels require metric units although dual labeling is also acceptable. The use of language on labels has been the subject of a Commission Communication, which encourages multilingual information, while preserving the right of Member States to require the use of language of the country of consumption.

The EU has mandated that certain products be sold in standardized quantities. Council Directive 2007/45/EC harmonizes packaging of wine and spirits throughout the EU. Existing national sizes will be abolished with a few exceptions for domestic producers.

Key Link: http://ec.europa.eu/enterprise/prepack/packsize/packsiz_en.htm

The Eco-label

The EU eco-label is a voluntary label which U.S. exporters can display on products that meet high standards of environmental awareness. The eco-label is intended to be a marketing tool to encourage consumers to purchase environmentally-friendly products. The criteria for displaying the eco-label are strict, covering the entire lifespan of the product from manufacture, to use, to disposal. These criteria are reviewed every three to five years to take into account advances in manufacturing procedures. There are currently twenty-three different product groups, and approximately 250 licenses have been awarded for several hundred products.
Applications to display the eco-label should be directed to the competency body of the member state in which the product is sold. The application fee will be somewhere between €300 and €1300 depending on the tests required to verify if the product is eligible. The eco-label also carries an annual fee equal to 0.15% of the annual volume of sales of the product range within the European community. However, the minimum annual fee is currently set at €500 and maximum €25,000.
There are plans to significantly reform the eco-label in the near future, reducing the application and annual fees and expanding the product ranges significantly. It is also possible that future eligibility criteria may take into account carbon emissions.

Key Links: Eco-label Home Page
Product Categories eligible for the Eco-label
Eco-Label Catalogue
List of Competent Bodies
Revision of the Eco-label
The Eco-label and Carbon Footprint

Trade Agreements Return to top

For a list of trade agreements with the EU and its Member States, as well as concise explanations, please see http://tcc.export.gov/Trade_Agreements/index.asp

Web Resources Return to top

The website of the Lithuanian Ministry of Foreign Affairs contains useful trade-related information in both English and Lithuanian: http://www.urm.lt

EU Websites:

Online customs tariff database (TARIC):
http://ec.europa.eu/taxation_customs/common/databases/taric/index_en.htm

The Modernized Community Customs Code MCCC):

http://ec.europa.eu/taxation_customs/customs/procedural_aspects/general/community_code/index_en.htm.

ECHA: http://echa.europa.eu/doc/press/pr_08_38_candidate_list_20081028.pdf

Taxation and Customs Union:
http://ec.europa.eu/taxation_customs/customs/index_en.htm

Regulation (EC) 648/2005:
Security and Safety Amendment to the Customs Code

Decision N° 70/2008/EC:

http://ec.europa.eu/taxation_customs/customs/policy_issues/electronic_customs_initiative/electronic_customs_legislation/index_en.htm

Regulation (EC) 450/2008): Modernized Community Customs Code

Legislation related to the Electronic Customs Initiative:
http://ec.europa.eu/taxation_customs/customs/policy_issues/electronic_customs_initiative/electronic_customs_legislation/index_en.htm

International Level: Customs value

What is Customs Valuation?
http://ec.europa.eu/taxation_customs/customs/customs_duties/declared_goods/index_en.htm

Customs and Security:
Two communications and a proposal for amending the Community Customs Code
http://ec.europa.eu/taxation_customs/customs/policy_issues/customs_security/index_en.htm

Establishing the Community Customs Code:
Regulation (EC) n° 648/2005 of 13 April 2005

Pre Arrival/Pre Departure Declarations: Pre Arrival / Pre Departure Declarations

AEO: Authorized Economic Operator

Contact Information at National Customs Authorities:
http://ec.europa.eu/taxation_customs/taxation/personal_tax/savings_tax/contact_points/index_en.htm

New Approach Legislation: http://ec.europa.eu/enterprise/policies/european-standards/documents/harmonised-standards-legislation/list-references/index_en.htm

Cenelec, European Committee for Electrotechnical Standardization: http://www.cenelec.eu/Cenelec/Homepage.htm

ETSI, European Telecommunications Standards Institute: http://www.etsi.org/

CEN, European Committee for Standardization, handling all other standards: http://www.cen.eu/cenorm/homepage.htm

Standardisation – Mandates:http://ec.europa.eu/enterprise/policies/european-standards/standardisation-requests/index_en.htm

ETSI – Portal – E-Standardisation : http://portal.etsi.org/Portal_Common/home.asp

CEN – Sector Fora: http://www.cen.eu/cenorm/sectors/index.asp

Nando (New Approach Notified and Designated Organizations) Information System: http://ec.europa.eu/enterprise/newapproach/nando/

Mutual Recognition Agreements (MRAs): http://ts.nist.gov/Standards/Global/mra.cfm

European Co-operation for Accreditation:
http://www.european-accreditation.org/content/home/home.htm
Eur-Lex – Access to European Union Law:
http://eur-lex.europa.eu/en/index.htm
Standards Reference Numbers linked to Legislation:
htt http://ec.europa.eu/enterprise/policies/european-standards/documents/harmonised-standards-legislation/list-references/index_en.htm
p://ec.europa.eu/enterprise/newapproach/standardization/harmstds/whatsnew.html

National technical Regulations: http://ec.europa.eu/enterprise/tris/index_en.htm

NIST - Notify us: http://tsapps.nist.gov/notifyus/data/index/index.cfm

Metrology, Pre-Packaging – Pack Size: http://ec.europa.eu/enterprise/prepack/packsize/packsiz_en.htm

European Union Eco-label Homepage: http://ec.europa.eu/comm/environment/ecolabel/index_en.htm

Eco-Label Catalogue: http://www.eco-label.com/default.htm

U.S. Websites:

National Trade Estimate Report on Foreign Trade Barriers:

http://www.ustr.gov/about-us/press-office/reports-and-publications/2009/2009-national-trade-estimate-report-foreign-trad

Agricultural Trade Barriers:
http://www.fas.usda.gov/posthome/useu/

Trade Compliance Center: http://www.trade.gov/tcc

U.S. Mission to the European Union: http://www.buyusa.gov/europeanunion

The New EU Battery Directive: http://www.buyusainfo.net/docs/x_8086174.pdf

The Latest on REACH: http://www.buyusa.gov/europeanunion/reach.html.

WEEE and RoHS in the EU: http://www.buyusa.gov/europeanunion/weee.html

Overview of EU Certificates:
http://useu.usmission.gov/agri/certificates-overview.html

Center for Food Safety and Applied Nutrition: http://www.cfsan.fda.gov/

EU Marking, Labeling and Packaging – An Overview
http://www.buyusainfo.net/docs/x_4171929.pdf.

The European Union Eco-Label: http://buyusainfo.net/docs/x_4284752.pdf

Trade Agreements: http://tcc.export.gov/Trade_Agreements/index.asp

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Chapter 6: Investment Climate

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Lithuania's laws assure equal protection for both foreign and domestic investors. No special permit is required from government authorities to invest foreign capital in Lithuania. Foreign investors have free access to all sectors of the economy with some limited exceptions:

- The Law on Investment prohibits investment of foreign capital in sectors related to the security and defense of the State.

- The Law on Investment also requires government permission and licensing for commercial activities that may pose risks to human life, health, or the environment, including the manufacturing of, or trade in, weapons.

- Non-Lithuanians are generally not able to buy agricultural or forest land. As part of its EU accession agreement, however, Lithuania must eliminate this restriction by 2011. The restriction does not apply to most non-Lithuanian individuals and organizations that have engaged in agriculture in Lithuania for at least three years. This restriction also does not apply to organizations that have established representative or branch offices in Lithuania.

- The Law on Investment specifically permits the following forms of investment in Lithuania:

- Establishment of an enterprise or acquisition of a part or whole of the authorized capital of an operating enterprise registered in Lithuania;

- Acquisition of securities of any type;
- Creation, acquisition, and increase in the value of long-term assets;
- Lending of funds or other assets to business entities in which the investor owns a stake, allowing control or considerable influence over the company; and
- Performance of concession or leasing agreements.

Foreign entities are allowed to establish branches or representative offices. There are no limits on foreign ownership or control. Foreign investors can contribute capital in the form of money, assets, or intellectual or industrial property.

Lithuanian law protects foreign investments and investors' rights, and the judicial system is generally effective at upholding the enforcement of contracts. Foreign investors are free to enforce their rights by applying to the courts of Lithuania or directly to the International Center for Settlement of Investment Disputes under the Washington Convention of 1965.

Foreign investors have the right to repatriate profits, income, or dividends, in cash or otherwise, or to reinvest the income without any limitation, after paying taxes. The law establishes no limits on foreign ownership or control.

State institutions have no right to interfere with the legal possession of foreign investors' property. In the event of justified expropriation, investors are entitled to compensation equivalent to the market value of the property expropriated. The law obligates state institutions and officials to keep commercial secrets confidential and requires compensation for any loss or damage caused by illegal disclosure.

Foreign investors are treated equitably in privatization programs. The government has privatized most state enterprises and property, and the State Property Fund is responsible for managing and privatizing state assets. Major assets still under government control include the railway company (Lietuvos Gelezinkeliai), Lithuania's three international airports (Vilnius, Kaunas, and Klaipeda) and Lithuanian post (Lietuvos Pastas). Foreign investors purchased the majority of state assets privatized since 1990. These included companies in the banking, transportation, and energy sectors. Some foreign companies have complained about a lack of transparency or discrimination in certain privatization transactions.

The State Property Fund screens the performance record and size of companies bidding on state or municipal property and has halted privatizations when it determined that the bidders were not suitable, i.e., for criminal or other reasons.

Index/Ranking

Measure	**Year**	**Index/Ranking**
TI Corruption Index	2010	5
Heritage Economic Freedom	2010	29
World Bank Doing Business	2011	23

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The national currency is the litas. The Law on Foreign Currency also allows individuals and organizations to use the euro for domestic cash and non-cash payments and settlements; it allows individuals and organizations to use other foreign currency for making non-cash payments and settlements when both parties in the transaction agree to do so. There are no restrictions on the transfer or conversion of litas.

Lithuania has maintained a currency board since 1994. On February 1, 2002, the government pegged the litas (LTL) to the euro (EUR) at the rate of LTL 3.4528 to EUR 1. Prior to that date, the peg was LTL 4 to USD 1. The government backs the litas with gold and foreign currency reserves.

Lithuania entered the EU's exchange rate mechanism (ERM II) in June 2004. Its plans to adopt the euro in 2007 failed because inflation slightly exceeded the allowable limit. Lithuania will continue to pursue membership in the Euro zone, but the impact of the economic crisis may prevent entry before 2014, according to government officials and analysts from the private sector.

Expropriation and Compensation

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Lithuanian law permits expropriation on the basis of public need, but requires compensation at market value in convertible currency. The law requires payment of compensation within three months of the date of expropriation in the currency the foreign investor requests. (If the government determines compensation in litas, it uses the official exchange rate on the date of this determination.) The compensation must include interest (calculated on the basis of the LIBOR rate of the relevant currency) from the date of publication of the notice of expropriation until the payment of compensation. The recipient may transfer this compensation abroad without any restrictions.

There have been no cases of expropriation of private property by the Government of Lithuania since 1991. There is an ongoing process to restitute property expropriated in the World War II and Soviet eras.

Dispute Settlement

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The Lithuanian legal system stems from the legal traditions of Continental Europe and is in accordance with the EU's acquis communautaire. New laws enter into force upon promulgation by the President (or in some cases the Chairman of the Parliament (Seimas) and publication in the official gazette Valstybes Zinios ("State News").

General jurisdiction courts, dealing with civil and criminal matters, comprise the core of the Lithuanian court system: the Supreme Court, the Court of Appeals, district courts, and local courts. In 1999, Lithuania established a system of administrative courts to adjudicate administrative cases, which generally involve disputes between government regulatory agencies and individuals or organizations. The administrative court system consists of the Highest Administrative Court and District Administrative Courts.

The Constitutional Court of Lithuania is a separate, independent judicial body that determines whether laws and legal acts adopted by the Seimas, President, and the Government conform to the Constitution.

Lithuania's legal system provides several possibilities for commercial dispute resolution. Parties can settle disputes in local courts or in the increasingly popular independent, i.e., non-governmental, Commercial Court of Arbitration. Lithuania also recognizes arbitration by foreign courts. Courts generally operate independently of government influence. There have been no major disputes between foreign investors and the Government of Lithuania since independence in 1991.

Lithuania passed the current Enterprise Bankruptcy Law in 2001. This law applies to all enterprises, public establishments, commercial banks, and other credit institutions registered in Lithuania. The law provides a mechanism to override the provisions of other laws regulating enterprise activities, assuring protection of creditors' rights, recovery of debts, and payment of taxes and other mandatory contributions to the State. This law establishes the following order of creditors' claims: claims by creditors that are secured by a mortgage/pledge of debtor; claims related to employment; tax, social insurance, and state medical insurance claims; claims arising from loans guaranteed or issued on behalf of the Republic of Lithuania orits Government; and other claims.

Lithuania is a party to the Convention on the Settlement of Investment Disputes between States and Nationals of Other States (Washington Convention) and is a member of the International Center for the Settlement of Investment Disputes. It is also a signatory to the 1958 New York Convention on the Recognition and Enforcement of Foreign Arbitral Awards.

Performance Requirements and Incentives

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Lithuania provides special incentives to strategic investors. The criteria by which the national government or a municipality designates a strategic investor vary from project to project. In general, the national government requires that a strategic investor invest 50 million USD or more. Municipalities may tie the designation criteria to additional or other factors, such as the number of jobs created and the environmental benefits that accrue. Strategic investors' rewards include special business conditions, such as favorable tax incentives for up to ten years. Significant tax incentives apply to foreign investments made before 1997. Municipalities may grant special incentives to induce investments in municipal infrastructure, manufacturing, and services. The government intends to publish a long-delayed national investment strategy in 2011 which should expand the array of incentives provided to potential investors.

Government Resolution No. 918 of July 15, 2003 requires offset agreements as a condition for awarding contracts to procure military equipment valued at more than LTL 5 million (USD 2 million). Offsets are obligations the government imposes that require companies to provide services, create jobs, or purchase local goods as a condition for the contract's award. Bidders can negotiate the exact terms of the offset agreement with the government.

Foreign investors have the same rights as local firms to participate in government-financed and -subsidized research and development (R&D) programs.

There are no requirements for local content or purchasing from local sources as a condition for investment or public purchases. Municipalities may ask investors to develop roadways or other infrastructure adjoining their project, but such proposals are subject to negotiation. Lithuania's EU membership has given foreign firms the additional right to appeal adverse governmental rulings to the European Court of Justice. Lithuania's "Law on Public Procurement," which came into effect on March 1, 2003, is in accordance with the EU's acquis communautaire.

Some foreign investors, including U.S. citizens, report difficulties in obtaining and renewing residency permits. U.S. citizens can stay in Lithuania no more than 90 days without a visa (and no more than 90 days in any six-month period). Those who stay longer face fines and deportation. In principle, Lithuanian embassies and consulates abroad are able to assist by reviewing documentation required for a permit. However, foreigners may actually submit residency permit applications only after they arrive in Lithuania. By law, the Migration Department is allowed six months to issue U.S. citizens residence permits, but in recent years they have done so in less than three months, on average. Nevertheless, the Embassy is aware of cases where American citizens were asked to leave Lithuania solely because their application for a residence permit was not processed within the 90 days for which they were initially admitted. Processing for work permits or other documentation must be started before applying for a residence permit. Documentary requirements are extensive and change frequently. In addition, dependents of those who hold residency permits for less than two years are barred from receiving a residency permit, unless the permit holder earns a salary more than three times the monthly average, is coming to teach at a high level educational institution or is under an exchange program recognized by Lithuania, or who is investing in Lithuania. Other exemptions may apply. The Embassy recommends that those applying for residency permits, who intend to reside in Lithuania with dependents, investigate the ability of their dependents to obtain derivative residency permits.

Right to Private Ownership and Establishment

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Foreign and domestic private entities have the right to establish, acquire, and dispose of interests in business enterprises. The laws of the Republic of Lithuania protect rights and legal interests of both domestic and foreign investors. Lithuania has privatized most state run enterprises. Where state-owned companies and private companies compete for public or private contracts, they do so on legally equal terms.

The Law on Investments describes the basic principles defining the treatment of foreign investments in Lithuania. Foreign investors have the same rights and obligations relating to commercial activities as local investors. They have the right to transfer profit (income) owned as private property without any restrictions after paying taxes. Generally, foreign investors have free access to all sectors of the economy. However, Lithuanian law prohibits investment of capital of foreign origin in sectors relating to security and defense of the State. Lithuania introduced a law restricting monopolies in 1993.

Protection of Property Rights

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Lithuanian law protects foreign investments and the rights of investors in several ways.

The Constitution and the Law on Foreign Capital Investment protect all forms of private property against nationalization or requisition.

International agreements offer protections, such as the 1958 New York Convention on the recognition and enforcement of foreign arbitral awards.

Bilateral agreements with the United States and other western countries on the mutual protection and encouragement of investments reinforce these protections.

The Law on Capital Investment in Lithuania and other acts regulate customs duties, taxes, and relationships with financial and inspection authorities. This law also establishes the procedures of dispute settlements.

In the event of justified expropriation, applicable law entitles investors to compensation equivalent to the market value of the expropriated property.

Foreign investors may defend their rights under the Washington Convention of 1965 by applying to either Lithuanian courts or directly to the International Center for the Settlement of Investment Disputes. To date, Lithuania has not been involved in any major investment disputes with American or other foreign investors.

State institutions and officials are obligated to keep commercial secrets confidential and must pay compensation for any loss or damage caused by illegal disclosure. Lithuania legalized the possibility of hiring private bailiffs to enforce court judgments in 2003.

Lithuania's commercial laws conform to EU requirements, and include the principles of the free establishment of companies, protection of shareholders' and creditors' rights, free access to information, and registration procedures. These laws include the following: the "Company Law" and "Law on Partnerships" (last modified January 1, 2004), the "Law on Personal Enterprises" (January 1, 2004), the "Law on Investments" (1999), the "Law on Bankruptcy of Enterprises" (2001), and the "Law on Restructuring of Enterprises" (2001).

The Civil Code of 2000 governs commercial guarantees and security instruments. It provides for the following types of guarantee and security instruments to secure fulfillment of contractual obligations: forfeiture, surety, guarantee, earnest money, pledge, and mortgage.

Lithuania joined the World Intellectual Property Organization
(WIPO) in 2002 and the World Trade Organization (WTO) in 2001. Lithuania, as a member of the EU, has ratified WIPO's Internet treaties (Copyright Treaty and the Performances and Phonograms Treaty) as listed below. It is also a signatory to the following IPR-related treaties and conventions:

-- The Paris Convention for the Protection of Industrial Property in 1990 (effective May 22, 1994);

-- The Berne Convention for the Protection of Literary and Artistic Works of 1886 (effective December 14, 1994);

-- The Rome Convention for the Protection of Performers, Producers of Phonograms and Broadcasting Organizations of 1961 (effective July 22, 1999);

-- The Nice Agreement Concerning International Classification of Goods and Services of 1957 (effective February 22, 1997);

-- The Madrid Protocol of 1989 (effective November 15, 1997);

-- The Patent Cooperation Treaty of 1970 under the auspices of WIPO (effective July 5, 1994);

-- The Conventions on the Grant of European Patents (December 1 2004);

-- The WIPO Copyright Treaty of 1996 (effective March 6, 2002);

-- The WIPO Performances and Phonograms Treaty of 1996 (effective May 20, 2002); and

-- The Trademark Law Treaty of 1994 (effective April 27, 1998).

Lithuania enacted regulations in 2002 to protect confidential test data that pharmaceutical firms submit for patent and trademark registration. Following EU accession, Lithuania extended protection to member states' trademarks, designs, and applications. Lithuania brought its national law protecting biological inventions into compliance with EU Directive 98/44 in June 2005. In recent years, Lithuania has significantly improved IPR protection and in 2008 it was removed from the Special 301 Watch List. Lithuania's parliament amended the country's Copyright Law in October 2006, bringing it into line with the EU's copyright directive.

Transparency of Regulatory System

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The World Bank's "Doing Business" survey, which evaluates according to ten criteria the ease of doing business in 181 economies, gave generally high marks to Lithuania, ranking it 23rd in 2011 (out of 183 countries ranked). Lithuania scored especially high in the categories of "registering property" (seventh) and "enforcing contracts" (seventeenth). It did less well in the categories of "starting a business" (87th) and "protecting investors" (93rd).

The legal system of the Republic of Lithuania recognizes generally accepted principles of the legal regulation of investments and subjects both Lithuanian and foreign investors to equal business conditions.

Red tape remains a problem. Local business leaders complain that bureaucratic procedures often are not user-friendly and that the interpretation of regulations is too often inconsistent and unclear.

Businesses and private individuals complain of corruption, including in the process of awarding government contracts and the granting of licenses and permits.

Businesses also complain that they have little opportunity to influence new legislation and that new legislation sometimes appears with little advance notice. Modern technology, however, may alleviate this problem: the parliament's website contains all draft laws currently before it. Ministries also post many, but not all, draft laws under consideration.

In 2009 the GOL changed the corporate income tax rate to 20 percent (on January 1, 2010 it was changed back to 15%), personal income tax to 21 percent (earlier 24 percent) and value added tax to 21 percent (earlier 18 percent). The GOL also eliminated most VAT exemptions at this time, excepting pharmaceutical products, heating utility services and non-periodical publications. In 2006, the GOL introduced an annual real estate tax ranging from 0.3 percent to one percent of the market value of a property. Municipalities are given a right to determine the exact rate, on real estate owned by individuals but used for commercial purposes. In practice, this tax is usually set at a one percent level.

Efficient Capital Markets and Portfolio Investment Return to top

Government policies do not interfere with the free flow of financial resources or allocation of credit. In 1994, Lithuania accepted the requirements of Article VIII of the Articles of Agreement of the International Monetary Fund to liberalize all current payments and to establish non-discriminatory currency agreements. Lithuania ensures free movement of capital and does not plan to impose any restrictions. The government imposes no restrictions on credits related to commercial transactions or the provision of services, nor on financial loans and credits. There are no restrictions on non-residents opening accounts with commercial banks.

The banking system is stable, well-regulated and conforms to EU standards. Currently there are 9 commercial banks holding a license from the Bank of Lithuania, 8 foreign bank branches, one financial institution controlled by EU licensed foreign banks providing services with an established branch, 5 foreign banks representative offices, the Central Credit Union of Lithuania and 67 credit unions. 209 EU banks provide cross-border services in Lithuania without a branch operating in the country, and 2 financial institutions controlled by EU licensed foreign banks providing services without a branch. Following the completion of the bank privatization process in 2002, the share of banking capital held by foreign investors increased to 90 percent. Nearly all foreign banks are under German or Scandinavian control. As of September 30, 2010 the total assets of major Lithuanian banks were:

- SEB – 8.8 billion USD
- Swedbank – 6.9 billion USD
- DnB Nord – 4.5 billion USD

There is no restriction on portfolio investment. The right of ownership to shares acquired through automatically matched trades is transferred on the third working day following the conclusion of the transaction. The Vilnius Stock Exchange is part of the OMX group of exchanges and offers access to 80 percent of all securities trading in the Nordic and Baltic marketplace. OMX is owned by the U.S. firm NASDAQ and the Dubai Bourse.

Three authorities supervise financial markets. The Bank of Lithuania supervises commercial banks and credit unions, the Securities Commission supervises the securities market, and the Insurance Supervisory Commission supervises insurance companies. The law requires these institutions to cooperate with appropriate EU authorities.

Lithuanian law does not regulate hostile takeovers.

Competition from State-Owned Companies

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According to Lithuanian law state companies have no privileges in conducting business and competing for supply and/or project implementation contracts. The embassy has no records of complaints from either foreign or domestic companies regarding cases of state companies exercising superiority in competing for business.

Corporate Social Responsibility

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Although Lithuania's high private sector contribution to GDP is evidence of a strong private sector, the concept of Corporate Social Responsibility (CSR) is not very widely known in Lithuania, especially in rural areas where there is little or no foreign investment. The understanding of the concept is frequently linked to philanthropy, rather than partnership. The private sector appears more interested in its own business affairs rather than displaying a real commitment to social issues.

There are, however, an increasing number of important private-public partnerships, as well as social projects, where the private sector is involved including volunteerism, restoration, and scholarships. Furthermore, successful participation in the European Union market will require high standards of CSR. Foreign investors in Lithuania have played a very important role in promoting CSR. In 2009, the government developed and approved a National Corporate Social Responsibility Development Program for 2009-2013 aimed at promoting CSR. Also, in the past few years there has been a growing interest from both government and NGOs alike in promoting CSR values by organizing competitions and awards ceremonies such as the Social and Labor Ministry's annual Socially Responsible Business Awards Ceremony, Confederation of Industrialists' Awards and others.

Political Violence

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Lithuania has not witnessed any incidents involving politically motivated damage to projects and/or installations. There are no nascent insurrections, belligerent neighbors, or other politically-motivated violence.

Corruption

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There is a general perception in Lithuanian society that Corruption, especially on lower levels, is common. More than 50 governmental institutions regulate commerce in one way or another, creating a bureaucracy that is not transparent.

Large foreign investors report few problems with corruption. On the contrary, most large investors report that high-level officials are often very helpful in solving problems fairly. In general, foreign investors say that corruption is not a significant obstacle to doing business in Lithuania and describe most of the bureaucrats they deal with in Lithuania as reasonable and fair.

Small and medium enterprises (SME) perceive themselves as more vulnerable to petty bureaucrats and commonly complain about extortion. SMEs often complain that excessive red tape virtually requires the payment of "grease money" to obtain permits promptly. Business owners maintain that some government officials, on the other hand, view SMEs as likely tax-cheats and smugglers, and treat the owners and managers accordingly.

Paying or accepting a bribe is a criminal act. Lithuania established in 1997 the Special Investigation Service (Specialiuju Tyrimu Tarnyba) specifically to fight public sector corruption. The agency investigates approximately 100 cases of alleged corruption every year. In 2010 the Vice Minister of Health was charged with corrupt practices and resigned from his Post. This represents the first example of a high-level official prosecuted on charges of corruption in Lithuania. Lithuania ratified the UN Convention Against Corruption in December 2006. Lithuania also hosts a representative office of Transparency International (TI). TI ranked Lithuania 52nd in its 2009 Perceptions of Corruption Index with a score of 4.9. (TI considers countries with a score below 5.0 to have serious problems with corruption.) Police, medical personnel and local government, among others, were cited by TI as prone to corruption.

Corruption, including bribery, raises the costs and risks of doing business. Corruption has a corrosive impact on both market opportunities overseas for U.S. companies and the broader business climate. It also deters international investment, stifles economic growth and development, distorts prices, and undermines the rule of law.

It is important for U.S. companies, irrespective of their size, to assess the business climate in the relevant market in which they will be operating or investing, and to have an effective compliance program or measures to prevent and detect corruption, including foreign bribery. U.S. individuals and firms operating or investing in foreign markets should take the time to become familiar with the relevant anticorruption laws of both the foreign country and the United States in order to properly comply with them, and where appropriate, they should seek the advice of legal counsel.

The U.S. Government seeks to level the global playing field for U.S. businesses by encouraging other countries to take steps to criminalize their own companies' acts of corruption, including bribery of foreign public officials, by requiring them to uphold their obligations under relevant international conventions. A U.S. firm that believes a competitor is seeking to use bribery of a foreign public official to secure a contract should bring this to the attention of appropriate U.S. agencies, as noted below.

U.S. Foreign Corrupt Practices Act: In 1977, the United States enacted the Foreign Corrupt Practices Act (FCPA), which makes it unlawful for a U.S. person, and certain foreign issuers of securities, to make a corrupt payment to foreign public officials for the purpose of obtaining or retaining business for or with, or directing business to, any person. The FCPA also applies to foreign firms and persons who take any act in furtherance of such a corrupt payment while in the United States. For more detailed information on the FCPA, see the FCPA Lay-Person's Guide at: http://www.justice.gov

Other Instruments: It is U.S. Government policy to promote good governance, including host country implementation and enforcement of anti-corruption laws and policies pursuant to their obligations under international agreements. Since enactment of the FCPA, the United States has been instrumental to the expansion of the international framework to fight corruption. Several significant components of this framework are the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions (OECD Antibribery Convention), the United Nations Convention against Corruption (UN Convention), the Inter-American Convention against Corruption (OAS Convention), the Council of Europe Criminal and Civil Law Conventions, and a growing list of U.S. free trade agreements.

OECD Antibribery Convention: The OECD Antibribery Convention entered into force in February 1999. As of December 2009, there are 38 parties to the Convention including the United States (see http://www.oecd.org/dataoecd/59/13/40272933.pdf). Major exporters China, India, and Russia are not parties, although the U.S. Government strongly endorses their eventual accession to the Convention. The Convention obligates the Parties to criminalize bribery of foreign public officials in the conduct of international business. The United States meets its international obligations under the OECD Antibribery Convention through the U.S. FCPA.

UN Convention: The UN Anticorruption Convention entered into force on December 14, 2005, and there are 143 parties to it as of December 2009 (see http://www.unodc.org/unodc/en/treaties/CAC/signatories.html). The UN Convention is the first global comprehensive international anticorruption agreement. The UN Convention requires countries to establish criminal and other offences to cover a wide range of acts of corruption. The UN Convention goes beyond previous anticorruption instruments, covering a broad range of issues ranging from basic forms of corruption such as bribery and solicitation, embezzlement, trading in influence to the concealment and laundering of the proceeds of corruption. The Convention contains transnational business bribery provisions that are functionally similar to those in the OECD Antibribery Convention and contains provisions on private sector auditing and books and records requirements. Other provisions address matters such as prevention, international cooperation, and asset recovery.

OAS Convention: In 1996, the Member States of the Organization of American States (OAS) adopted the first international anticorruption legal instrument, the Inter-American Convention against Corruption (OAS Convention), which entered into force in March 1997. The OAS Convention, among other things, establishes a set of preventive measures against corruption, provides for the criminalization of certain acts of corruption, including transnational bribery and illicit enrichment, and contains a series of provisions to strengthen the cooperation between its States Parties in areas such as mutual legal assistance and technical cooperation. As of December 2009, the OAS Convention has 33 parties (see http://www.oas.org/juridico/english/Sigs/b-58.html) Lithuania is not a party to the OAS Convention.

Council of Europe Criminal Law and Civil Law Conventions: Many European countries are parties to either the Council of Europe (CoE) Criminal Law Convention on Corruption, the Civil Law Convention, or both. The Criminal Law Convention requires criminalization of a wide range of national and transnational conduct, including bribery, money-laundering, and account offenses. It also incorporates provisions on liability of legal persons and witness protection. The Civil Law Convention includes provisions on compensation for damage relating to corrupt acts, whistleblower protection, and validity of contracts, inter alia. The Group of States against Corruption (GRECO) was

established in 1999 by the CoE to monitor compliance with these and related anti-corruption standards. Currently, GRECO comprises 46 member States (45 European countries and the United States). As of December 2009, the Criminal Law Convention has 42 parties and the Civil Law Convention has 34 (see http://www.coe.int/t/dghl/monitoring/greco/default_en.asp)
Free Trade Agreements: While it is U.S. Government policy to include anticorruption provisions in free trade agreements (FTAs) that it negotiates with its trading partners, the anticorruption provisions have evolved over time. The most recent FTAs negotiated now require trading partners to criminalize "active bribery" of public officials (offering bribes to any public official must be made a criminal offense, both domestically and trans-nationally) as well as domestic "passive bribery" (solicitation of a bribe by a domestic official). All U.S. FTAs may be found at the U.S. Trade Representative Website: http://www.ustr.gov/trade-agreements/free-trade-agreements.

Local Laws: U.S. firms should familiarize themselves with local anticorruption laws, and, where appropriate, seek legal counsel. While the U.S. Department of Commerce cannot provide legal advice on local laws, the Department's U.S. and Foreign Commercial Service can provide assistance with navigating the host country's legal system and obtaining a list of local legal counsel.

Assistance for U.S. Businesses: The U.S. Department of Commerce offers several services to aid U.S. businesses seeking to address business-related corruption issues. For example, the U.S. and Foreign Commercial Service can provide services that may assist U.S. companies in conducting their due diligence as part of the company's overarching compliance program when choosing business partners or agents overseas. The U.S. Foreign and Commercial Service can be reached directly through its offices in every major U.S. and foreign city, or through its Website at www.trade.gov/cs.

The Departments of Commerce and State provide worldwide support for qualified U.S. companies bidding on foreign government contracts through the Commerce Department's Advocacy Center and State's Office of Commercial and Business Affairs. Problems, including alleged corruption by foreign governments or competitors, encountered by U.S. companies in seeking such foreign business opportunities can be brought to the attention of appropriate U.S. government officials, including local embassy personnel and through the Department of Commerce Trade Compliance Center "Report A Trade Barrier" Website at tcc.export.gov/Report_a_Barrier/index.asp.

Guidance on the U.S. FCPA: The Department of Justice's (DOJ) FCPA Opinion Procedure enables U.S. firms and individuals to request a statement of the Justice Department's present enforcement intentions under the antibribery provisions of the FCPA regarding any proposed business conduct. The details of the opinion procedure are available on DOJ's Fraud Section Website at www.justice.gov/criminal/fraud/fcpa. Although the Department of Commerce has no enforcement role with respect to the FCPA, it supplies general guidance to U.S. exporters who have questions about the FCPA and about international developments concerning the FCPA. For further information, see the Office of the Chief Counsel for International Counsel, U.S. Department of Commerce, Website, at http://www.ogc.doc.gov/trans_anti_bribery.html. More general information on the FCPA is available at the Websites listed below.

Exporters and investors should be aware that generally all countries prohibit the bribery of their public officials, and prohibit their officials from soliciting bribes under domestic laws. Most countries are required to criminalize such bribery and other acts of corruption by virtue of being parties to various international conventions discussed above.

Anti-Corruption Resources

Some useful resources for individuals and companies regarding combating corruption in global markets include the following:

•Information about the U.S. Foreign Corrupt Practices Act (FCPA), including a "Lay-Person's Guide to the FCPA" is available at the U.S. Department of Justice's Website at: http://www.justice.gov/criminal/fraud/fcpa.

•Information about the OECD Antibribery Convention including links to national implementing legislation and country monitoring reports is available at: http://www.oecd.org/department/0,3355,en_2649_34859_1_1_1_1_1,00.html. See also new Antibribery Recommendation and Good Practice Guidance Annex for companies: http://www.oecd.org/dataoecd/11/40/44176910.pdf

•General information about anticorruption initiatives, such as the OECD Convention and the FCPA, including translations of the statute into several languages, is available at the Department of Commerce Office of the Chief Counsel for International Commerce Website: http://www.ogc.doc.gov/trans_anti_bribery.html.

•Transparency International (TI) publishes an annual Corruption Perceptions Index (CPI). The CPI measures the perceived level of public-sector corruption in 180 countries and territories around the world. The CPI is available at: http://www.transparency.org/policy_research/surveys_indices/cpi/2009. TI also publishes an annual Global Corruption Report which provides a systematic evaluation of the state of corruption around the world. It includes an in-depth analysis of a focal theme, a series of country reports that document major corruption related events and developments from all continents and an overview of the latest research findings on anti-corruption diagnostics and tools. See http://www.transparency.org/publications/gcr.

•The World Bank Institute publishes Worldwide Governance Indicators (WGI). These indicators assess six dimensions of governance in 212 countries, including Voice and Accountability, Political Stability and Absence of Violence, Government Effectiveness, Regulatory Quality, Rule of Law and Control of Corruption. See http://info.worldbank.org/governance/wgi/sc_country.asp. The World Bank Business Environment and Enterprise Performance Surveys may also be of interest and are available at: http://go.worldbank.org/RQQXYJ6210.

•The World Economic Forum publishes the Global Enabling Trade Report, which presents the rankings of the Enabling Trade Index, and includes an assessment of the transparency of border administration (focused on bribe payments and corruption) and a separate segment on corruption and the regulatory environment. See http://www.weforum.org/en/initiatives/gcp/GlobalEnablingTradeReport/index.htm.

•Additional country information related to corruption can be found in the U.S. State Department's annual Human Rights Report available at http://www.state.gov/g/drl/rls/hrrpt/.

•Global Integrity, a nonprofit organization, publishes its annual Global Integrity Report, which provides indicators for 92 countries with respect to governance and anti-corruption. The report highlights the strengths and weaknesses of national level anti-corruption systems. The report is available at: http://report.globalintegrity.org/.

Bilateral Investment Agreements

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Lithuania joined the European Union on May 1, 2004. In doing so, it joined all EU trade agreements with third countries and international organizations. Lithuania also delegated its international trade policy function to the EU Council and the European Commission. As a consequence, Lithuania had to revoke all of its bilateral free trade agreements signed before its accession to the EU.

The United States and Lithuania have signed and ratified the following agreements and treaties:

-- A charter of partnership between the United States, Estonia, Latvia, Lithuania;

-- A bilateral investment treaty that ensures reciprocal investment protection and encourages additional investment;

-- Treaty on avoidance of double taxation;

-- Treaty on legal assistance in criminal matters;

-- Extradition treaty;

-- Agreement on social security; and

-- Agreement on cooperation in preventing proliferation of weapons of mass destruction and promotion of defense and military relations.

OPIC and Other Investment Insurance Programs

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Coverage from the Overseas Private Investment Corporation (OPIC) is available for U.S. investments in Lithuania. Lithuania is a member of the Multilateral Investment Guarantee Agency (MIGA). Lithuania's fully convertible currency, the litas, is pegged to the euro, while its exchange rate against the U.S. dollar fluctuates on a daily basis. On January 10, 2011, the exchange rate was 1 USD = 2.68 LTL. Lithuania plans to adopt the euro, but is unlikely to meet the Euro Zone's entry requirements until 2014, at the earliest.

Labor

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Lithuanian labor is inexpensive compared with Western Europe. However employment regulations are often stricter than those in other EU countries according to some foreign investors.

By law, white-collar workers have a 40-hour workweek. Blue-collar workers have a 48-hour workweek with premium pay for overtime. There are minimum legal health and safety standards for the workplace. However, worker complaints indicate that employers do not always observe these standards. Lithuania is a member of International Labor Organization (ILO) and adheres to its conventions.

The government adjusts the monthly minimum wage regularly. At the end of 2009, Lithuania's minimum monthly wage was 335 USD. The average monthly wage was approximately 614 USD in 2010. Average salaries decreased by approximately 5 percent in 2010 compared to 2009.

Membership in the EU, and the consequent ability of Lithuanians to work legally in EU countries, generated, in the past, a sizable outflow of labor causing a shortage of skilled construction workers, truck drivers, shop assistants, medical nurses, and medical specialists. This outflow led in the past to extremely low (4.3 percent) unemployment compared with other EU members. However, the current slowdown in the global and local economy has resulted in a sizeable increase in unemployment. Lithuania's registered unemployment in the third quarter of 2010 was 17.8 percent. Expert forecasts for 2011 unemployment range between 14.5 percent and 16 percent.

Lithuania's management-labor relations are good. Labor unions are not considered influential in Lithuania, according to some foreign investors. There have been no major strikes or labor disruptions since the country's independence in 1991.

Some business leaders claim that the 2002 Labor Law lacks flexibility and increases the cost of production by making it harder to hire and fire labor. This is a particular complaint of businesses that experience seasonal fluctuations in labor needs.

Lithuania has one of the best-educated workforces in Central and Eastern Europe. The percentage of the Lithuanian population with higher education is two times higher than the EU-15 average and is also the highest in the Baltic States. Lithuania is among the five EU members with the highest percentage of people speaking at least one foreign language, with ninety percent of Lithuanians speaking at least one other language – mostly Russian, English and Polish – apart from their mother tongue.

Hi-tech studies are currently among the most popular areas of study at the universities of Lithuania. Major Lithuanian companies specializing in knowledge driven sectors of industry, such as the information and telecommunications sector, biotechnology, laser technology, etc., cooperate closely with the leading Lithuanian technological universities, which provide the companies with R&D services and offer students specialized on-the-job training programs. In this way companies are able to attract a large number of qualified specialists for both local and international projects.

Foreign-Trade Zones/Free Ports

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Lithuania has two Free Economic Zones (FEZs): one in Klaipeda, the country's largest seaport, and one in Kaunas, an air, road, and rail hub. There are currently 15 businesses operating in the Klaipeda FEZ, and eight investors in the Kaunas FEZ.

Lithuania's EU accession agreement permits the indefinite operation of existing FEZs, but precludes the establishment of new ones. Foreign firms operating in the FEZs have the same opportunities and benefits as local companies.

Companies operating within the zones enjoy:

-- Six years' exemption from corporate income tax and a 50 percent reduction during the following 10 years, if the company invests more than 1.2 million USD;

-- Exemption from real estate tax; and

-- A 50 percent discount on land leases.

Foreign Direct Investment Statistics

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The United States is the eleventh largest investor in Lithuania. American investments (stock) totaled 356 million USD (mid-2010), accounting for approximately 2.7 percent of total FDI in Lithuania. There are about 135 U.S. companies doing business in Lithuania, and about 500 U.S. companies have representatives in the country. The largest U.S. investors include Thermo Fisher, Moog, IBM, Philip Morris, Kraft Foods, Mars Incorporated, and Paulius and Associates.

As of 30 September 2010, cumulative FDI in Lithuania amounted to LTL 34,190.2 million (USD 13.68 billion), up USD 197.6 million (1.5 percent) from the beginning of the year. This cumulative FDI is equivalent to a FDI per capita of LTL 10,484 (USD 4,193)

FDI in Lithuania, By Source Country/Group

Country/Group	Amount (USD billions)	Percent of total FDI
Poland	1.6	11.8
Sweden	1.5	11.1
The Netherlands	1.4	10.4
Germany	1.3	10.2
EU-27	**10.6**	**78.2**
CIS	**1.04**	**7.6**

List of Major Foreign Investors (estimated figures by the firms themselves):

Firm Name	Country	Business Category	Investment Amount (USD millions)
Orlen	Poland	Oil Refining	1,400
Teo Lt	Sweden/Finland	Telecommunications	643
Thermo Fisher	U.S.A.	Biological Research	290
Moog, Inc.	U.S.A.	Medical Equipment	200
Indorama	Thailand	Plastics	145
Philip Morris	U.S.A.	Tobacco Products	130
Kraft	U.S.A.	Confectionary	60
Mars, Inc.	U.S.A.	Pet Food	40
StoraEnso	Finland/Sweden	Wood Products	36
DSV	Denmark	Shipping	30

Paroc	Finland	Construction Material	20

Lithuanian cumulative investment abroad at the end of the third quarter of 2010 amounted to LTL 4,817.5 million (USD 1.9 billion), down USD 296 million, or 13.3 percent, from the beginning of the year.

Lithuanian FDI Abroad, by Destination Country

Country	Amount (USD millions)	Percent of total FDI
Latvia	370	19.2
The Netherlands	358	18.6
Russia	185	9.7
Poland	173	9.0
Cyprus	170	8.9

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Chapter 7: Trade and Project Financing

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A variety of payment methods are acceptable in Lithuania including open account, letter of credit. Cash in advance, documentary collections and factoring are all possible and acceptable in Lithuania.

Listed below are a few collection agencies in Lithuania. For more information, please search the Lithuanian business Directory at http://www.imones.lt/

- G4S http://www.g4s.lt/
- Intrum Justicija: http://www.intrum.lt/
- Credit Reform: http://www.creditreform.lt/

The U.S. Embassy is not providing a recommendationby listing these firms. The Embassy cannot guarantee their work.

How Does the Banking System Operate Return to top

Lithuania has a strong and well-developed banking system, under the supervision of the Bank of Lithuania. The IMF and international risk-rating agencies closely monitor Lithuania's banking sector. The country has adopted a universal banking model that allows banks to participate in other financial activities including operating, leasing, insurance, and brokerage firms.

There have been no bank failures in Lithuania over the past decade. Currently, nine commercial banks, seven foreign bank branches, five foreign bank representative offices, and sixty-seven credit unions operate in the country. Money laundering, tax evasion, and other financial crimes are prevalent in the region. Lithuania has implemented appropriate laws, bank monitoring regimes (internal and external), and law enforcement tools to deter and detect such crimes. Nonetheless, investors should exercise due diligence when selecting a bank. More information on banking in Lithuania is available at the www.lb.lt

Major Lithuanian commercial banks service the entire country through their branch networks. They also manage individual subsidiaries that engage in mortgage banking, finance company activities, credit card business, and investment operations. Commercial banks have extensive foreign networks of branch offices, subsidiaries, consortium banks, and representative offices, through which foreign trade payments are made.

Foreign-Exchange Controls Return to top

There are no foreign exchange restrictions. Lithuania offers unrestricted movement of capital and dividends.

U.S. Banks and Local Correspondent Banks Return to top

Lithuanian banks offer a wide range of banking services, including foreign exchange transactions, issuance and receipt of checks, letters of credit, and international payments. Local banks have established correspondent accounts with commercial banks worldwide, including in the U.S.

Project Financing Return to top

EU financial assistance programs provide a wide array of grants, loans, loan guarantees and co-financing for feasibility studies and infrastructure projects in a number of key sectors (e.g., environmental, transportation, energy, telecommunications, tourism, public health). From a commercial perspective, these initiatives create significant market opportunities for U.S. businesses, U.S.-based suppliers, and subcontractors.
The EU supports projects within its Member States, as well as EU-wide "economic integration" projects that cross both internal and external EU borders. In addition, the EU provides assistance to accession countries in Eastern and Southern Europe and Turkey, as well as some of the former Soviet republics.

The European Union provides project financing through grants from the European Commission and loans from the European Investment Bank. Grants from the Structural Funds are distributed through the Member States' national and regional authorities, and are only available for projects in the 27 EU Member States. All grants for projects in non-EU countries are managed through the EuropeAid Cooperation agency in conjunction with various European Commission departments, called "Directorates-General."

The CSEU Tenders Database

The U.S. Commercial Service at the U.S. Mission to the European Union offers a tool on its website to help U.S.-based companies identify European public procurement opportunities. The database features all current public procurement tenders issued by all national and regional public authorities in the 27 Member States of the European Union, plus four other European countries, and that are open to U.S.-based firms under the terms of the Government Procurement Agreement (GPA) implemented in 1995. The database is updated twice weekly and is easy to use with a range of search options, including approximately 20 industry sectors. The database also contains tenders for public procurement contracts relating to structural funds. Readers may access the database at http://www.buyusa.gov/europeanunion/eu_tenders.html.

EU Structural Funds

The EU Structural Funds, including the European Regional Development Fund, were created in 1975 to assist economically depressed regions of the European Union that required industrial restructuring. The EU earmarked EUR 308 billion for projects under the Structural Funds and the Cohesion Fund programs for the 2007-2013 period for the EU-27. In addition to funding economic development projects proposed by Member States or local authorities, EU Structural Funds also support specialized projects promoting EU socioeconomic objectives. Member States negotiate regional and "sectoral" programs with officials from the regional policy Directorate-General at the European Commission. For information on approved programs that will result in future project proposals, please visit:
http://ec.europa.eu/regional_policy/atlas2007/fiche_index_en.htm.

For projects financed through the Structural Funds, Member State officials are the key decision-makers. They assess the needs of their country; investigate projects; evaluate bids; and award contracts. To become familiar with available financial support programs in the Member States, it is advisable for would-be contractors to meet with local officials to discuss local needs.

Tenders issued by Member States' public contracting authorities for projects supported by EU grants are subject to EU public procurement legislation if they meet the EU minimum contract value requirement for the eligible sector. Below this threshold, tender procedures are subject to national procurement legislation. There are no overt prohibitions against the participation of U.S. companies, either as developers or concessionaires of projects supported partially by the Structural Funds, or as bidders on subsequent public tenders related to such projects, but it is advisable to team up with a local partner. All Structural Fund projects are co-financed by national authorities and most may also qualify for a loan from the European Investment Bank. The private sector is also involved in project financing. For more information on these programs, please see the market research section on the website of the US Mission to the EU:

http://www.buyusa.gov/europeanunion/mrr.html

The Cohesion Fund

The Cohesion Fund is another instrument of EU structural policy. Its EUR 61.5 billion (2007-2013) budget seeks to improve cohesion within the EU by funding transport infrastructure and environmental projects in Portugal, Spain, Greece and the twelve new (since 2004) EU Member States from Central and Eastern Europe. These projects are generally co-financed by national authorities, the European Investment Bank, and the private sector.

Key Link: http://ec.europa.eu/regional_policy/funds/cf/index_en.htm

The Trans-European Networks

The European Union also provides financial support to the Trans-European Networks (TENs) to develop infrastructure, strengthen cohesion and increase employment across greater Europe. Launched at the Essen Counsel (Germany) in 1994, the TENs are a series of transport, telecommunications and energy projects that are continually being expanded and upgraded. The TENs are largely financed by private sector and non-EU sources. The EU does, however, provide grants from the Cohesion Fund, loans from the European Investment Bank (and loan guarantees from the European Investment Fund), and partial feasibility study grants for the TENs. There are no overt EU restrictions on the participation of U.S. firms in the TENs.

http://ec.europa.eu/ten/index_en.html

Other EU Grants for Member States

Another set of sector-specific grants offers assistance to EU Member States in the fields of science, technology, communications, energy, environmental protection, education, training and research. Tenders related to these grants are posted on the various websites of the directorates-generals of the European Commission. Conditions for participation are strict and participation is usually restricted to EU firms or tied to EU content. Information pertaining to each of these programs can be found on:

http://ec.europa.eu/grants/index_en.htm

External Assistance Grants

The EuropeAid Cooperation Office is the European Commission agency in charge of managing the EU's external aid programs. This Agency is responsible for the management of the entire project cycle, from identification to evaluation, while the Directorates-General in charge of External Relations and Development, are responsible for the drafting of multi-annual programs. The EuropeAid website offers extensive information on the range of grant programs, the kind of projects that are eligible, as well as manuals to help interested parties understand the relevant contract law. However, participation to calls for tender for contracts financed by EuropeAid is reserved for enterprises located in the EU Member States and requires that the products used to respond to these projects are manufactured in the EU or in the aid recipient country. But consultants of U.S. nationality employed by a European firm are allowed to form part of a bidding team. European subsidiaries of U.S. firms are eligible to participate in these calls for tender.

Key Link: http://ec.europa.eu/europeaid/index_en.htm

All tenders related to EU-funded programs outside the territory of the European Union (including the accession countries) are located on the EuropeAid Cooperation Office website: http://ec.europa.eu/europeaid/work/funding/index_en.htm

Two new sets of programs have been approved for the financing period 2007-2013., The EU provides specific Pre-Accession financial assistance to the accession candidate countries that seek to join the EU through the "Instrument for Pre-accession Assistance" (IPA). Also, the European Neighborhood and Partnership Instrument (ENPI) will provide assistance to countries that are the Southern Mediterranean and Eastern neighbors of the EU.

- IPA replaces the following programs: PHARE (Poland and Hungary Assistance for Restructuring of the Economy), ISPA (Instrument for Structural Pre-Accession financing transport and environment projects), SAPARD (projects in the agriculture sector), CARDS (aid to southern Balkans) and the Turkey Facility Fund. IPA focuses on priorities linked to the adoption of the *acquis communautaire* (the body of European Union law that must be adopted by accession candidate countries as a precondition to accession), i.e., building up the administrative and institutional capacities and financing investments designed to help them comply with European Commission law. IPA will also finance projects destined to countries that are potential candidate countries, especially in the Balkans. The budget of IPA for 2007-2013 is EUR 11.4 billion.

Key Links: http://ec.europa.eu/enlargement/index_en.htm

http://ec.europa.eu/enlargement/how-does-it-work/financial-assistance/index_en.htm

- ENPI: replaces the former TACIS and MEDA programs. The European Neighborhood Policy program covers the EU's neighbors to the east and along the southern and eastern shores of the Mediterranean i.e. Algeria, Armenia, Azerbaijan, Belarus, Egypt, Georgia, Israel, Jordan, Lebanon, Libya, Moldova, Morocco, the Palestinian Authority, Syria, Tunisia and Ukraine. ENPI budget is €11,9 billion for 2007-2013.
  http://ec.europa.eu/world/enp/index_en.htm

Loans from the European Investment Bank

Headquartered in Luxembourg, the European Investment Bank (EIB) is the financing arm of the European Union. Since its creation in 1958, the EIB has been a key player in building Europe. As the EIB's lending practices evolved over the years, it became highly competent in assessing, reviewing and monitoring projects. As a non-profit banking institution, the EIB offers cost-competitive, long-term lending in Europe. Best known for its project financial and economic analysis, the Bank makes loans to both private and public EU-based borrowers for projects in all sectors of the economy, such as telecommunications, transport, energy infrastructure and environment.

While the EIB mostly funds projects within the EU, it lends outside the EU as well (e.g., in Central, Eastern and Southeastern Europe; Latin America; and Pacific and Caribbean states). In 2007, the EIB approved loans for projects worth EUR 56.4 billion, of which around 16% was lent outside the EU. The EIB also plays a key role in supporting EU enlargement with loans used to finance improvements in infrastructure, research and industrial manufacturing to help those countries prepare for eventual EU membership. Projects financed by the EIB must contribute to the socioeconomic objectives set out by the European Union, such as fostering the development of less favored regions; improving European transport and telecommunication infrastructure; protecting the environment; supporting the activities of SMEs; assisting urban renewal; and, generally promoting growth, competitiveness and employment in Europe. Last year, the EIB created a list of projects to be considered for approval and posted the list on its website. As such, the EIB website is a source of intelligence on upcoming tenders related to EIB-financed projects: http://www.eib.org/projects/pipeline/index.htm

The EIB presents attractive business opportunities to U.S. businesses. EIB lending rates are lower than most other commercial rates. Like all EIB customers, however, U.S. firms must apply the loan proceeds to a project that contributes to the European objectives cited above.

The EIB's i2i (Innovation 2010 Initiative) is designed to highlight projects that support innovative technology in the European Union, in particular by financing broadband and multimedia networks; the physical or virtual infrastructure providing local access to these networks; and research and development infrastructures, especially in the less developed regions of the European Union. i2i will also finance projects to computerize schools and universities and to provide information technology training in conjunction with public authorities.

Key Link: http://www.eib.org/Attachments/thematic/innovation_2010_initiative_en.pdf

The US Mission to the European Union in Brussels has developed a database to help U.S.-based companies bid on EIB public procurement contracts in non-EU countries in particular. The EIB-financed contracts that are open to US-based companies are featured in this database. All the tenders in this database are extracted from the EU's Official Journal. The EIB database contains on average 50 to 100 tenders and is updated twice per week.

Key Link: http://www.buyusa.gov/europeanunion/eu_tenders.html

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EU websites:

Future project proposals:
http://ec.europa.eu/regional_policy/atlas2007/fiche_index_en.htm.

The EU regional policies, the EU Structural and Cohesion Funds:
http://ec.europa.eu/regional_policy/index_en.htm

The Trans-European Networks (TENs): http://ec.europa.eu/ten/transport/index_en.htm

EU Grants and Loans index: http://ec.europa.eu/grants/index_en.htm

EuropeAid Co-operation Office: http://ec.europa.eu/europeaid/index_en.htm

IPA: http://ec.europa.eu/enlargement/how-does-it-work/financial-assistance/index_en.htm

The European Investment Bank http://www.eib.org

EIB-financed projects: http://www.eib.org/projects/index.htm?lang=-en.

The EIB's i2i (Innovation 2010 Initiative):
http://www.eib.org/Attachments/thematic/innovation_2010_initiative_en.pdf

U.S. websites:

CSEU Tender Database:
http://www.buyusa.gov/europeanunion/eu_tenders.html

Market research section on the website of the US Mission to the EU: http://www.buyusa.gov/europeanunion/mrr.html

European Union Tenders Database:

http://www.buyusa.gov/europeanunion/euopportunities.html

Export-Import Bank of the United States: http://www.exim.gov

Country Limitation Schedule: http://www.exim.gov/tools/country/country_limits.html

OPIC: http://www.opic.gov

Trade and Development Agency: http://www.tda.gov/

SBA's Office of International Trade: http://www.sba.gov/oit/

USDA Commodity Credit Corporation: http://www.fsa.usda.gov/ccc/default.htm

U.S. Agency for International Development: http://www.usaid.gov

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Social and business protocol in Lithuania is similar to that in the rest of Northern Europe. For additional information on traveling in Lithuania, you may find travel information online through websites such as vilnius.usembassy.gov (see the "traveling to Lithuania" section listed under U.S. Citizen Services). You may also visit any number of tourism websites including www.inyourpocket.com Please note that the U.S. Embassy does not recommend a specific travel website. The Embassy cannot guarantee their services.

Major hotels, quality restaurants, and most stores in Lithuania accept credit cards. MasterCard and Visa are the most widely accepted credit cards; a number of hotels and some restaurants and service stations accept Diners Club and American Express. Budget accommodations, fast-food restaurants, smaller retail establishments, and outdoor markets operate primarily on a cash basis. Commercial banks cash travelers' checks or provide cash advances against credit cards, but service charges are sometimes high. Currency exchange offices and most banks buy and sell Lithuania's currency, the litas. In rural areas, travelers should be prepared to pay cash for most expenses.

There are numerous restaurants in Lithuania's major cities offering first-class cuisine and service. There is an excellent supply and diversity of imported food, household supplies, common medications, and personal items.

Travel Advisory Return to top

The U.S. Department of State's website has the latest information on travel advisories throughout the world.

Visa Requirements Return to top

U.S. citizens do not need to obtain a visa for visits of less than 90 days. Visitors from non-European Union countries seeking entry into Lithuania must carry proof of a medical insurance policy contracted for payment of all costs of hospitalization and medical treatment in Lithuania. Visitors unable to demonstrate sufficient proof of medical insurance must purchase short-term insurance at the border from a Lithuanian provider for roughly $1.00 per day. The number of days will be calculated from the day of entry until the date on the return ticket.

U.S. citizens need both a residence permit and a work permit to live and work in Lithuania. The local Migration Department issues both permits. English-language instructions for applying for these documents are available from the Ministry of Foreign affairs at www.urm.lt

U.S. Companies that require travel of foreign businesspersons to the United States are advised to explore the appropriate visa category for these businesspersons. Visa applicants should go to the following link.

U.S. Embassy, Vilnius: http://www.usembassy.lt

Telecommunications
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Domestic and international phone, cellular phone, fax, and e-mail communications are generally excellent, though there can sometimes be limited connectivity in rural areas. More information on telecommunications services in the country is available at the internet sites for the following companies: Teo LT, Omnitel, Bite, Tele2. By listing these firms the USG in no way guarantees the quality of their service or provides a recommendation.

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There are direct flights from Western Europe cities to Lithuania. Within Lithuania, travel by car is generally the fastest and most convenient mode of transportation. For more information on travel/transportation, please see the Lithuanian Department of Tourism www.tourism.lt and www.inyourpocket.com

Language
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Lithuanian is the official language of the Republic of Lithuania. This ancient Indo-European language is the oldest of the surviving Baltic tongues and is rich in dialects and regional accents. Lithuanian is spoken by more than three million people in Lithuania and by about a million people of Lithuanian heritage living in other countries, especially Australia, Brazil, Belarus, Canada, Latvia, Poland, Russia, and the United States.

Most Lithuanian adults speak Russian. Many Lithuanians, especially younger ones, also speak English.

Health
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Medical facilities are available throughout Lithuania, but medical standards may vary, especially in rural areas. Private clinics are service-friendly, but not always equipped for emergencies. You may find a list of doctors in Lithuania online at www.usembassy.lt (see the “Medical Information” section listed under U.S. Citizen Services).

Local Time, Business Hours, and Holidays
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Local Time: Central European Time +1, or seven hours ahead of the U.S. East Coast

Business Hours: 8:00 – 17:00

2011 Holidays: **Lithuanian National Holidays**

Temporary Entry of Materials and Personal Belongings
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Visitors to Lithuania must make customs declarations of temporary entry of goods and personal belongings. Customs may require travelers entering the country for employment purposes to present an employment contract when declaring temporary admission of goods. For more information on customs procedures, please see the Lithuania Customs Department www.cust.lt

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Lithuanian Customs: http://www.cust.lt/en/rubric?rubricID=188

Lithuanian Ministry of Economy: http://www.ukmin.lt

Lideika, Petrauskas, Valiūnas and Partners' "Doing Business in Lithuania:" http://www.lawin.lt/book

Lithuania in Your Pocket: http://www.inyourpocket.com/lithuania/en

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Chapter 9: Contacts, Market Research, and Trade Events

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- Market Research
- Trade Events

Contacts Return to top

United States Department of Commerce - Contacts at the U.S. Mission to the EU:

Minister Counselor for Commercial Affairs
Beryl Blecher 32.2.508.27.47 beryl.blecher@mail.doc.gov

Deputy Senior Commercial Officer
Val Huston 32.2.508.27.55 val.huston@mail.doc.gov

Standards Attaché
Louis Santamaria 32.2.508.26.74 louis.santamaria@mail.doc.gov

Market Access and Trade Compliance Attaché
Ashley Miller 32.2.508.27.69 ashley.miller@mail.doc.gov

Commercial Attaché
John Fay 32.2.508.28.40 john.fay@mail.doc.gov

NOAA Fisheries Representative
Stephane Vrignaud 32.2.508.28.42 stephane.vrignaud@mail.doc.gov

U.S. Commercial Service
U.S. Mission to the European Union
Rue Zinner 13
B-1000 Brussels, Belgium
Tel.: 32.2.508.27.46
Fax: 32.2.513.12.28
E-mail: brussels.ec.office.box@mail.doc.gov
Website: http://www.buyusa.gov/europeanunion

United States Department of Agriculture - Contacts at the U.S. Mission to the EU:

Office of Agricultural Affairs
U.S. Mission to the European Union
Rue Zinner 13
B-1000 Brussels, Belgium
Tel.: 32.2.508.27.60
Fax: 32.2.511.09.18
E-mail: AgUSEUBrussels@fas.usda.gov
Website: http://www.fas.usda.gov/posthome/useu/

Org Chart: http://useu.usmission.gov/agri/staff.html

<u>The European Commission:</u>
European Commission
Rue de la Loi 200 / Wetstraat 200
B-1049 Brussels, Belgium
Tel: 32.2.299.11.11 (switchboard)
Fax: 32.2.295.01.38 (also 295.01.39 and 295.01.40)
Websites: http://ec.europa.eu/index_en.htm (European Commission)
http://ec.europa.eu/comm/external_relations/us/intro/index.htm (EU-U.S. relations)

For general information about the European Union:

Delegation of the European Commission to the United States
2300 M Street, N.W.
Washington, D.C. 20037
Tel: (202) 862-9500
Fax: (202) 429-1766
Website: http://www.eurunion.org/

EFTA – European Free Trade Association
Rue Joseph II, 12-16
B – 1000 Brussels
Tel: 32.2.286.17.11
Fax: 32.2.286.17.50
Website: http://www.efta.int/

For Information on Customs-related Matters within the European Union:
Mr. Robert Verrue, Director General
Directorate General Taxation and Customs Union
Rue de la Loi 200
B-1049 Brussels
Tel: 32.2.295.43.76
Fax: 32.2.296.90.46
Website: http://ec.europa.eu/taxation_customs/customs/index_en.htm

Standards Contacts:
Mr. Gordon Gillerman
Chief of the Global Standards and Information Program
National Centers for Standards and Certification Information (NCSCI)
National Institute of Standards & Technology
100 Bureau Dr.
Mail Stop 2100
Gaithersburg, Maryland 20899
Tel: (301) 975-2573
Website: http://ts.nist.gov/Standards/Global/about.cfm

CEN – European Committee for Standardization
Avenue Marnix 17
B – 1000 Brussels, Belgium
Tel: 32.2.550.08.11

Fax: 32.2.550.08.19
Website: http://www.cen.eu/

CENELEC – European Committee for Electrotechnical Standardization
Avenue Marnix 17
B – 1000 Brussels, Belgium
Tel: 32.2.519.68.71
Fax: 32.2.519.69.19
Website: http://www.cenelec.eu/

ETSI - European Telecommunications Standards Institute
Route des Lucioles 650
F – 06921 Sophia Antipolis Cedex, France
Tel: 33.4.92.94.42.00
Fax: 33.4.93.65.47.16
Website: http://www.etsi.org/

European Commission -Directorate - General Enterprise and Industry
Avenue d'Auderghem 45/Rue Belliard 100
B – 1049 Brussels, Belgium
Tel: 32.2.299.56.72
Fax: 32.2.299.16.75
Website: http://ec.europa.eu/enterprise/standards_policy/index_en.htm

NORMAPME – European Office of Crafts Trades and Small and Medium-Sized Enterprises for Standardization
Rue Jacques de Lalaing 4
B – 1040 Brussels, Belgium
Tel: 32.2.282.05.30
Fax: 32.2.282.05.35
Website: http://www.normapme.com/

ANEC - European Association for the Co-ordination of Consumer Representation in Standardization
Avenue de Tervueren 32, Box 27
B – 1040 Brussels, Belgium
Tel: 32.2.743.24.70
Fax: 32.2.706.54.30
Website: http://www.anec.org

ECOS – European Environmental Citizens Organization for Standardization
rue d'Edimbourg 26
B – 1050 Brussels, Belgium
Tel: 32.2.894 46 55
Fax: 32.2.894 46 10
Website: http://www.ecostandard.org/

EOTA – European Organization for Technical Approvals (for construction products)
Avenue des Arts 40
B – 1040 Brussels, Belgium

Tel: 32.2.502.69.00
Fax: 32.2.502.38.14
Website: http://www.eota.be/

Private Sector Associations:
AmchamEU
53 Avenue des Arts
B-1000 Brussels, Belgium
Tel: 32.2.513.68.92
Fax: 32.2.513.79.28
Website: http://www.amchameu.eu/

Business Europe
The Confederation of European Business
Avenue de Cortenbergh 168
1000 Brussels
Tel: 32.2.237.65.11
Fax: 32.2.231.14.45
Website: www.businesseurope.eu

European-American Business Council – EU Office
Rue de l'Industrie 26
B-1040 Brussels, Belgium
Tel: 32.2.513.38.72
Website: http://www.eabc.org/

European-American Business Council – US Office
919 18th Street, NW #220
Washington, DC 20006
Tel: (202) 828-9104
Fax: (202) 828-9106
Website: http://www.eabc.org/

The European Institute
1001 Connecticut Avenue, N.W., Suite 220,
Washington DC, 20036-5531
Tel: (202) 895-1670
Website: http://www.europeaninstitute.org/

Centre for European Policy Studies (CEPS)
1 Place du Congres
B-1000 Brussels, Belgium
Tel: 32.2.229.39.11
Fax: 32.2.219.41.51
Website: http://www.ceps.eu/index.php

The European Policy Centre
Residence Palace
155 Rue de la Loi
1040 Brussels, Belgium
Tel: 32.2.231.03.40

Fax: 32.2.231.07.04
Website: http://www.epc.eu

European Round Table of Industrialists (ERT)
Place des Carabiniers 18a
B-1030 Brussels
Tel: 32 2 534 31 00
Fax: 32 2 534 73 48
Website: http://www.ert.be/

The Transatlantic Policy Network
Rue Froissart 115, 1st floor
B-1040 Brussels, Belgium
Tel: 32.2.230.61.49
Fax: 32.2.230.58.96
Website: http://www.tpnonline.org/

TransAtlantic Business Dialogue – TABD EU Office
Residence Palace
115 Rue de la Loi, 4^{th} floor
B-1040 Brussels, Belgium
Tel: 32.2. 238.52.40
Fax: 32.2.238.52.42
Website: http://www.tabd.com/

TransAtlantic Business Dialogue – TABD US Office
TABD c/o CSIS
1800 K Street, NW, Suite 400
Washington, DC 20006
Tel: (202) 775 32 51
Fax: (202) 775 31 99
Website: http://www.tabd.com/

The Trans European Policy Studies Association (TEPSA)
11 Rue d'Egmont
B-1000 Brussels, Belgium
Tel: 32.2.511.34.70
Fax: 32.2.511.67.70
Website: http://www.tepsa.be/

Key EU-related websites:

For general information on the European Union

The EU's portal website
http://www.europa.eu

Resource for EU news, policy positions and actors
http://www.euractiv.com/

A to Z index of European Union websites

http://www.eurunion.org/infores/euindex.htm

For information on topics related to doing business in the European Union

EU's "One Stop Internet Shop for Business" (EU funds, technical standards, intellectual property law, and free access to public procurement tender notices via the Tenders Electronic Daily (TED) database).
http://ec.europa.eu/youreurope/business/index_en.htm

EU Member State Chambers of Commerce in the U.S.
http://www.eurunion.org/eu/index.php?option=com_content&task=view&id=2345&Itemid=9

EU market access database (information on tariffs and other trade information)
http://madb.europa.eu/

EURLEX – Access to EU law
http://eur-lex.europa.eu/en/index.htm

CORDIS – Community Research and Development Information Service (EU research and innovation website)
http://cordis.europa.eu/

European Commission Statistical Office (Eurostat)
http://epp.eurostat.ec.europa.eu/

EU Office of Official Publications
http://publications.europa.eu/

EU official website on the euro
http://ec.europa.eu/euro/index_en.html

European Central Bank, Frankfurt
http://www.ecb.int/

European Investment Bank, Luxembourg
http://www.eib.org/

Council of the European Union
http://www.consilium.europa.eu/

European Parliament
http://www.europarl.europa.eu/

European Court of Justice
http://curia.europa.eu/

EU Who is Who – The Official Directory of the European Union
http://europa.eu/whoiswho/public/

U.S. Embassy, Vilnius

Akmenu 6, 2001 Vilnius, Lithuania
Telephone: 370 5 266-5500
Fax: 370 5 2665510
Email: WebEmailVilnius@state.gov
Website: http://www.usembassy.lt; http://www.buyusa.gov

Lithuanian Embassy
2622 16th Street N.W. Washington D.C. 20009;
Telephone: 202-2345860;
Fax: 202-3280466.
Website: http://www.ltembassyus.org

Invest Lithuania
Jogailos 4, LT-01116 Vilnius, Lithuania;
Telephone: 370-5 2627438;
Fax: 370-5 2120160.
Website: http://www.businesslithuania.com/en/index.html

Lithuanian Customs Department
Jaksto str. 1/25, LT-2600 Vilnius, Lithuania;
Telephone: 370-5 2126415;
Fax: 370-5 2124948.
Website: http://www.cust.lt/en/rubric?rubricID=193

State Competition and Consumer Protection Office
Vienuolio str. 8, LT-2600 Vilnius, Lithuania;
Telephone: 370-5 2126492;
Fax: 370-5 2126412.
Website: http://www.konkuren.lt/en/index.php

Lithuanian Standardization Board:
Kosciuskos str. 30 LT-2600 Vilnius, Lithuania;
Telephone: 370-5 2126252;
Fax: 370-5 2126252.
Website: http://www.lsd.lt/typo%5Fnew/index.php?id=en

NASDAQOMX Konstitucijos pr. 23, LT-08105 Vilnius, Lithuania;
Telephone: 370-5 2638510;
Fax: 370-5 2721676.
Website: http://www.nasdaqomxbaltic.com/market/?lang=en

State Veterinary Service
Siesiku str. 19, LT- 2010 Vilnius, Lithuania;
Telephone: 370-5 2404361;
Fax: 370-5 2404362.
Website: http://vmvt.lt/en/

State Patent Bureau
Kalvariju str. 3, LT-09310 Vilnius, Lithuania;
Telephone: 370-5 2780290;
Fax: 370-5 2550723.

Website: http://www.vpb.lt/index.php?l=EN

State Tax Inspection (Ministry of Finance)
Sermuksniu str. 6, LT-2695 Vilnius, Lithuania;
Telephone: 370-5 2620060;
Fax: 370-5 2621924.
Website: http://www.vmi.lt/en/

State Property Fund
Vilniaus str. 16, LT-2600 Vilnius, Lithuania;
Telephone: 370-5 2684 902;
Fax: 370-5 2684901.
Website: http://www.vtf.lt/index.php?lang=en

Court of Commercial Arbitration
Gedimino pr 50, LT-0110 Vilnius, Lithuania
Tel: 370-5 2614517
Fax: 370-5 2122621
Website: http://www.arbitrazas.lt/index.php?handler=en.aboutus

American Chamber of Commerce:
Room 204, Lukiskiu str.5, 2600 Vilnius, Lithuania;
Telephone: 370-5 2611181;
Fax: 370-5 21226128.
Email: acc@post.omnitel.net
Website: http://www.acc.lt

The Bank of Lithuania
Gedimino pr. 6, LT-2001 Vilnius, Lithuania;
Telephone: 370-5 2124008;
Fax: 370-5 26028124.
Website: http://www.lb.lt/home/default.asp?lang=e

Export-Import Bank of the United States
International Business Development;
811 Vermont Ave, N.W., Washington, D.C. 20571;
Telephone: (202) 565-3913;
Fax: (202) 566-7524.
Website: http://www.exim.gov

Overseas Private Investment Corporation (OPIC)
Central/Eastern Europe and Central Asia, Investment Development;
1100 New York Avenue, N.W., Washington D.C. 20527;
Telephone: (202) 336-8617;
Fax: (202) 408-5145.
Website: http://www.opic.gov

U.S. Trade and Development Agency
Central, Eastern & Southern Europe;
Room 309 SA-16, Washington D.C. 20523-1602;
Telephone: (702) 875-4357;

Fax: (703) 875-4009.
Website: http://www.tda.gov

Information on local trade fairs:

Litexpo Center;
Laisves pr.5, 2600 Vilnius, Lithuania;
Telephone: 370-5734789.
Website: http://www.litexpo.lt

Market Research

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To view market research reports produced by the U.S. Commercial Service please go to the following website: http://www.export.gov/ and click on Country and Industry Market Reports.

Please note that these reports are only available to U.S. citizens and U.S. companies. Registration to the site is required, but free of charge.

Trade Events

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Please click on the link below for information on upcoming trade events.

http://www.export.gov/tradeevents/index.asp

Litexpo Center: http://www.litexpo.lt

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Chapter 10: Guide to Our Services

The U.S. Commercial Service offers customized solutions to help your business enter and succeed in markets worldwide. Our global network of trade specialists will work one-on-one with you through every step of the exporting process, helping you to:

- Target the best markets with our world-class research
- Promote your products and services to qualified buyers
- Meet the best distributors and agents for your products and services
- Overcome potential challenges or trade barriers

For more information on the services the U.S. Commercial Service offers U.S. businesses, please click on the link below.

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U.S. exporters seeking general export information/assistance or country-specific commercial information should consult with their nearest **Export Assistance Center** or the **U.S. Department of Commerce's Trade Information Center** at **(800) USA-TRADE**, or go to the following website: http://www.export.gov